

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management : **Eagle High Plantation Palm Oil Mill – PT Eagle High Plantation, Tbk**
Organisation : **Subsidiary of Eagle High Plantation**
Plantation Name : PT Bumilanggeng Perdanatrada, consist of Arjuna Estate, Bromo Estate and Semeru Estate.
Location : Sungai Bedaun Village, Sub District of Kumai, District of Kotawaringin Barat, Kalimantan Tengah Province, Indonesia.
Certificate Code : **MUTU-RSPO/127**
Date of Certificate Issue : 10 May 2019 Date of License Issue : 10 August 2023
Date of Certificate Expiry : 09 May 2024 Date of License Expiry : 09 May 2024

| Assessment | Assessment Date | PT. Mutuagung Lestari Auditor | Reviewed by | Approved by |
|------------|-------------------------------|--|-----------------|------------------------|
| ASA-4 | 27-31 March and 01 April 2023 | Briyogi Shadiwa (<i>Lead Auditor</i>), Radytio Puspanjana, Firda Tarunajaya and Johannes Pandiangan | Moh. Arif Yusni | Hasiholan Sihombing |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| ASA-4 | 08 August 2023 |

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Figure 1. Location Map of PT Eagle High Plantation & PT Bumi Langgeng Perdanatrada

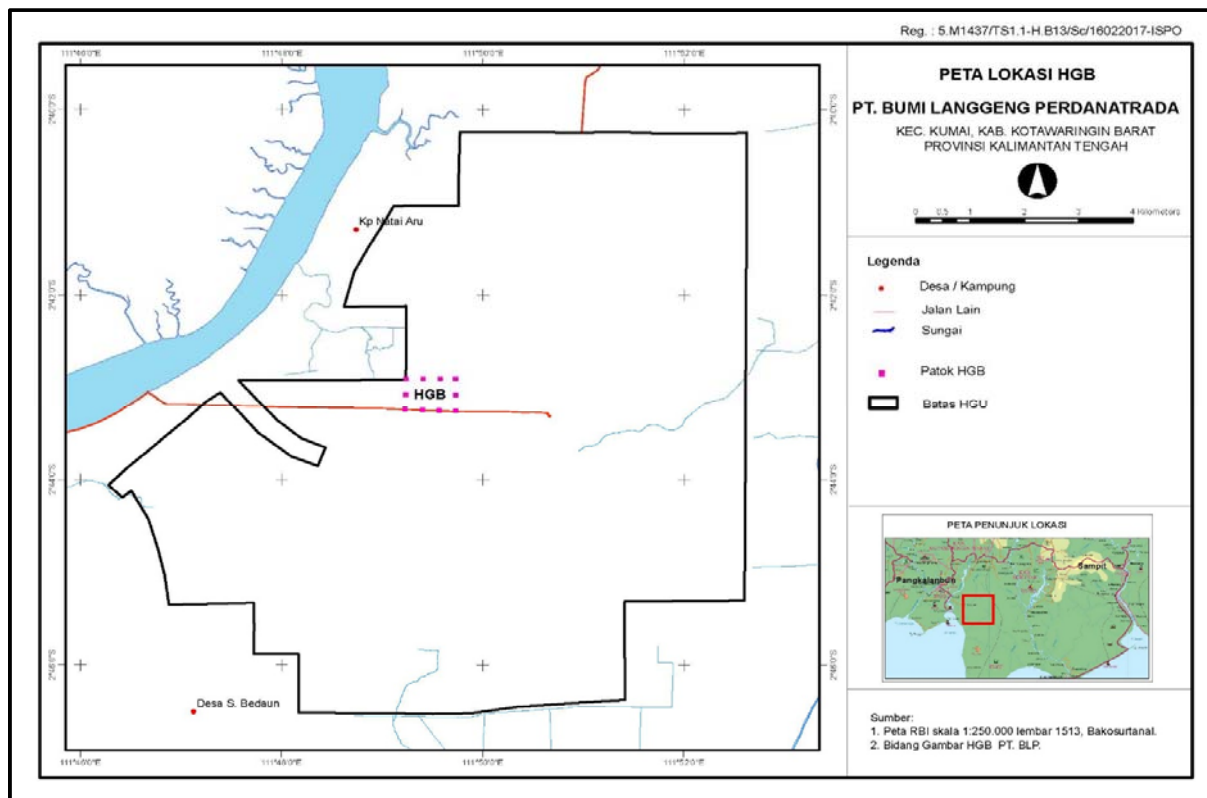
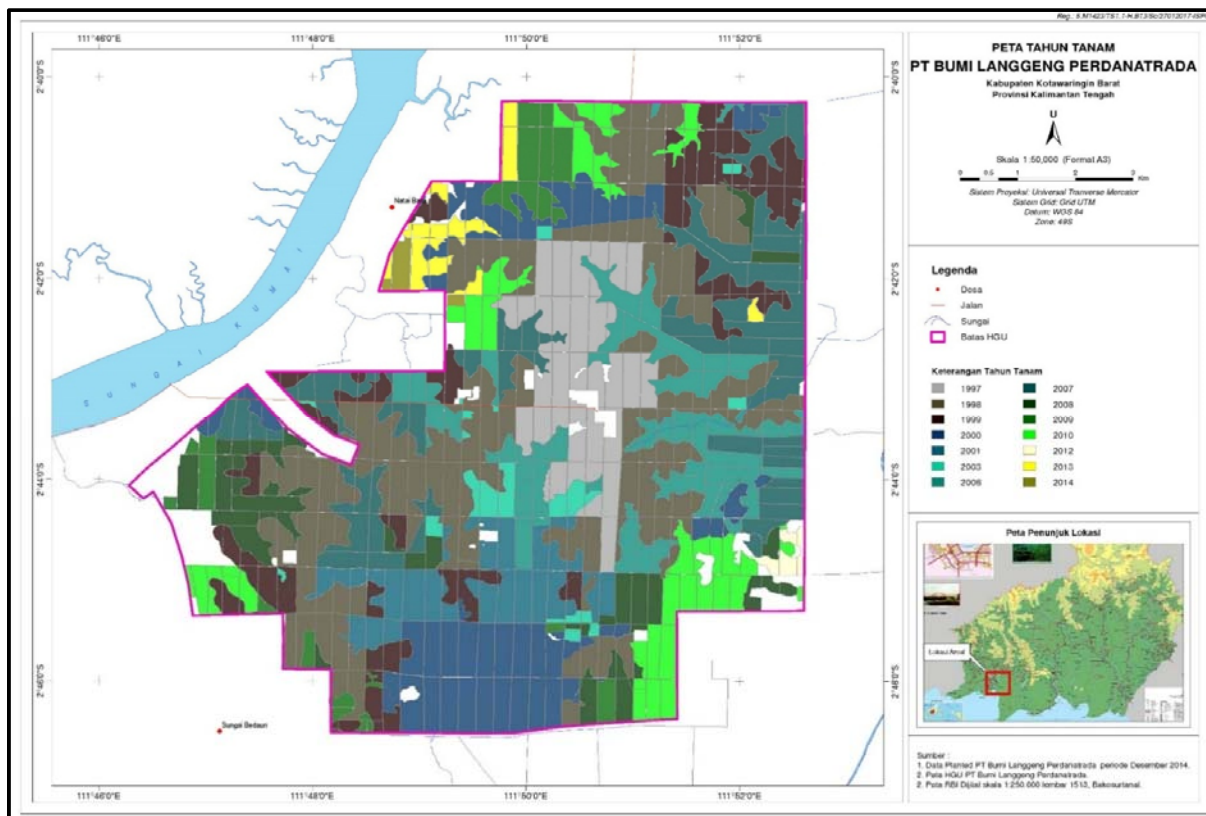


Figure 2. Operational Map of PT Eagle High Plantation & PT Bumi Langgeng Perdanatrada



Abbreviations Used

| | | |
|----------|---|--|
| ASA | : | Annual Surveillance Assessment |
| BLP | : | Bumilanggeng Perdanatrada |
| BMP | : | Best Management Practices |
| BOD | : | Biological Oxygen Demand |
| BPJS | : | <i>Badan Penyelenggara Jasa Sosial</i> |
| BRME | : | <i>Bromo Estate</i> |
| CEO | : | Chief Executive Officer |
| CH | : | Cerificat Holder |
| COO | : | Chief Operating Officer |
| CITES | : | Convention, International, Threatened, Endangered Species |
| CPO | : | Crude Palm Oil |
| CSR | : | Corporate Social Responsibility |
| EHP | : | Eagle High Plantation |
| EHS | : | Environmental, Health and Safety |
| EIA | : | Environmental Impact Assessment |
| FFB | : | Fresh Fruit Bunch |
| FPIC | : | Free, Prior and Informed Consent |
| FR | : | Frequency Rate |
| GAP | : | Good Agricultural Practice |
| GHG | : | Green House Gases |
| HCCS | : | Human Capital and Corporate Service |
| HCV | : | High Conservation Value |
| HGU | : | Hak Guna Usaha (Land Use Title/Right) |
| HIRAC | : | Hazard Identification Risk Assessment and Control |
| HSE | : | Health Safety and Environment |
| IPM | : | Integrated Pest Management |
| IUCN | : | International Union for Conservation of Nature |
| KER | : | Kernel Extraction Rate |
| LCC | : | Legume cover crop |
| LSU | : | Leaf Sampling Unit |
| LTA | : | Lose Time Accident |
| LUCA | : | Land Use Change Analysis |
| MSDS | : | Material Safety Data Sheet |
| OER | : | Oil Extraction Rate |
| OHS | : | Occupational Health and Safety |
| OHSAS | : | Occupational Health and Safety Assessment Series |
| P&C | : | Principle and Criteria |
| PIC | : | Person in charge |
| PK | : | Palm Kernel |
| P & L | : | Permit & License |
| POM | : | Palm Oil Mill |
| POME | : | Palm Oil Mill Effluent |
| PPE | : | Personel Protective Equipment |
| P2K3 | : | <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee |
| R & D | : | Research & Development |
| RKL- RPL | : | Environment Management and Monitoring Report |
| RSPO | : | Roundtable on Sustainable Palm Oil |
| RTE | : | Rare, threatened or endangered |
| SCCS | : | Supply Chain Certification System |

| | | |
|------|---|--|
| SEIA | : | Social Environmental Impact Assessment |
| SIA | : | Social Impact Assessment |
| SMRE | : | Semeru Estate |
| SPO | : | Sustainability Palm Oil |
| SOP | : | Standard Operating Procedure |
| SR | : | Severity Rate |
| SSU | : | Soil Sampling Unit |
| UDHR | : | Universal Declaration of Human Rights |
| WHO | : | World Health Organization |
| WTP | : | Water Treatment Plant |

| 1.0 | SCOPE of the CERTIFICATION ASSESSMENT | | | | | | | | |
|-------------|---|--|--|----------|-----------|-------------|----------------|-------------|--------------|
| 1.1 | Assessment Standard Used | <ul style="list-style-type: none"> <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i> <i>RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020</i> | | | | | | | |
| 1.2 | Organisation Information | | | | | | | | |
| 1.2.1 | Organisation name listed in the certificate | PT Eagle High Plantations, Tbk. | | | | | | | |
| 1.2.2 | Contact person | Budi Tri Prasetya | | | | | | | |
| 1.2.3 | Organisation address and site address | RSPO registered company: Noble House, 11th floor Jl. DR. Ide Anak Agung Gede Agung Kav. E 4.2 No. 2 Kawasan Mega Kuningan, Jakarta 12950 – Indonesia. | | | | | | | |
| 1.2.4 | Telephone | (+62) 21-29783093 | | | | | | | |
| 1.2.5 | Fax | (+62) 21-29783082 | | | | | | | |
| 1.2.6 | E-mail | budi.prasetya@eaglehighplantations.com | | | | | | | |
| 1.2.7 | Web page address | http://www.eaglehighplantations.com/ | | | | | | | |
| 1.2.8 | Management Representative who completed the application for certification | Budi Tri Prasetya | | | | | | | |
| 1.2.9 | Registered as RSPO member | 1-0048-08-000-00 21 March 2008 | | | | | | | |
| 1.3 | Type of Assessment | | | | | | | | |
| 1.3.1 | Scope of Assessment and Number of Management Unit | Palm Oil Mill and supply base <ul style="list-style-type: none"> EHP Mill – PT Eagle High Plantations Arjuna Estate, Semeru Estate, Bromo Estate – PT Bumilanggeng Perdanatrade | | | | | | | |
| 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 <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 02°42'30"</td> <td>E 111° 49' 20"</td> </tr> </table> | Latitude | Longitude | S 02°42'30" | E 111° 49' 20" | | |
| Latitude | Longitude | | | | | | | | |
| S 02°42'30" | E 111° 49' 20" | | | | | | | | |
| | EHP Mill | Sungai Badaun Village, Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | | | | | | | |
| 1.4.2 | Location of Certification Scope of Supply Base | | | | | | | | |
| | Name of Supply Base | Location | Coordinate <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>S 02°40'15"</td> <td>E 111°47'20"</td> </tr> <tr> <td>S 02°43'15"</td> <td>E 111°46'15"</td> </tr> </table> | Latitude | Longitude | S 02°40'15" | E 111°47'20" | S 02°43'15" | E 111°46'15" |
| Latitude | Longitude | | | | | | | | |
| S 02°40'15" | E 111°47'20" | | | | | | | | |
| S 02°43'15" | E 111°46'15" | | | | | | | | |
| | Arjuna | Sungai Badaun Village, Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | | | | | | | |
| | Semeru | Sungai Badaun Village, Kumai Sub District, Kotawaringin Barat District, | | | | | | | |

| | | | | | |
|-------|---|---|--------------|--------------|----------|
| | | Kalimantan Tengah Province, Indonesia | | | |
| | Bromo | Sungai Bedaun Village, Kumai Sub District, Kotawaringin Barat District, Kalimantan Tengah Province, Indonesia | S 02°44' 50" | E 111°46'45" | |
| | | | | | |
| 1.5 | Description of Area Statement | | | | |
| 1.5.1 | Tenure | | | | |
| | • State | 8,941.12 | Ha | | |
| | • Community | - | Ha | | |
| | <i>*The scope of certification is 8,711.54 Ha because an area of 41.58 (Occupation) and an area of 188 Ha (HPK that is still in the process of being released) are excluded from the scope</i> | | | | |
| 1.5.2 | Area Statement | | | | |
| | • Total area | 8,711.54 | Ha | | |
| | • Mature area | 8,262.48 | Ha | | |
| | • Immature area | - | Ha | | |
| | • Mill | 64.52 | Ha | | |
| | • Emplacement & Infrastructure | 226.97 | Ha | | |
| | • Others area (Quary) | 11.00 | Ha | | |
| | • HCV ** | 146.57 | Ha | | |
| | <i>**The total HCV area is 4,829.94 (based on identification HCV in 2013). HCV area consist of secondary forest: 146.57 Ha; and other areas included in planted area (riparian 208.58 Ha; sacred place 0.005 Ha; and deep peat 4,474.78 Ha)</i> | | | | |
| | | | | | |
| 1.6 | Planting Year and Cycles | | | | |
| 1.6.1 | Age profile of planting year | | | | |
| | Planting Year | Hectarage (Ha) | | | |
| | | Arjuna | Semeru | Bromo | Total |
| | 1997 | 473.44 | 240.15 | - | 713.59 |
| | 1998 | 648.87 | 974.42 | 287.73 | 1,911.02 |
| | 1999 | 439.01 | 84.20 | 242.23 | 765.44 |
| | 2000 | 274.41 | 78.60 | 595.13 | 948.14 |
| | 2001 | - | 110.46 | 367.79 | 478.25 |
| | 2003 | 17.19 | 104.43 | 22.30 | 143.92 |
| | 2006 | 271.12 | 497.21 | - | 768.33 |
| | 2007 | 658.55 | 422.59 | - | 1,081.14 |
| | 2008 | 34.99 | 275.46 | 189.17 | 499.62 |
| | 2009 | 96.50 | 48.51 | 78.28 | 223.29 |
| | 2010 | 165.86 | 83.00 | 288.64 | 537.50 |
| | 2011 | - | - | - | - |
| | 2012 | - | 36.46 | - | 36.46 |
| | 2013 | 117.50 | - | - | 117.50 |
| | 2014 | 38.28 | - | - | 38.28 |
| | TOTAL | 3,235.72 | 2,955.49 | 2,071.27 | 8,262.48 |

| | | | | | | | |
|---|--|-------------------------------------|--------------------------------|----------------------------|-------------------------------|----------------------|-------------------|
| 1.6.2 | New Planting area after January 2010 | | | 729.74 Ha | | | |
| 1.6.3 | Planting Cycle | | | 1 st Cycle | | | |
| | | | | | | | |
| 1.7 | Description of Mill and Supply Base | | | | | | |
| 1.7.1 | Description of Mill | | | | | | |
| | Name of Mill | Capacity (tonnes/ hour) | FFB Processed (tonnes/year) | CPO | | Palm Kernel | |
| | | | | Out put (tonnes) | Extraction (%) | Out put (tonnes) | Extraction (%) |
| | EHP | 60 | 245,861.13 | 52,554.55 | 21.37 | 9,965.86 | 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) | % |
| | Arjuna | 3,510.20 | 3,235.72 | 49,257.00 | 15.22 | 49,257.00 | 100 |
| | Semeru | 3,058.02 | 2,955.49 | 47,150.78 | 15.95 | 47,150.78 | 100 |
| | Bromo | 2,143.32 | 2,071.27 | 30,494.84 | 14.72 | 30,494.84 | 100 |
| | TOTAL | 8,711.54 | 8,262.48 | 126,902.62 | 15.35 | 126,902.62 | 100 |
| <i>*Production data source from February 2022 to January 2023</i> | | | | | | | |
| 1.7.3 | FFB description from other source | | | | | | |
| | Name of Sources/Organisation (RSPO certified / non-certified) | Type of Organisation | Number of Smallholders | Production Area (Ha) | Supplied to Mill | | |
| | | | | | FFB (tonnes/year) | | |
| | ARJE-TT > 2010 (Sanction) | Eagle High Plantation Subsidiary | - | 391.29 | 2,902.80 | | |
| | SMRE-TT > 2010 (Sanction) | Eagle High Plantation Subsidiary | - | 119.46 | 1,198.45 | | |
| | BRME-TT > 2010 (Sanction) | Eagle High Plantation Subsidiary | - | 288.64 | 7,471.11 | | |
| | Arjuna (non HGU) | Eagle High Plantation Subsidiary | - | 215.62 | 2,442.12 | | |
| | Semeru (non HGU) | Eagle High Plantation Subsidiary | - | 67.78 | 811.57 | | |
| | Bromo (non HGU) | Eagle High Plantation Subsidiary | - | 299.60 | 1,808.20 | | |
| | Bromo Plasma | Eagle High Plantation Subsidiary | - | 1,864.31 | 25,010.35 | | |
| | Arjuna Plasma | Eagle High Plantation Subsidiary | - | 429.95 | 2,298.83 | | |
| | Area from HPK | Eagle High Plantation Subsidiary | - | 176.43 | 2,606.42 | | |
| | Independent smallholders | - | - | - | 72,290.66 | | |
| | TOTAL | | | | | 118,840.51 | |
| <i>*Production data source from March 2022 to February 2023</i> | | | | | | | |
| 1.7.4 | Product categories | | | FFB, CPO, PK | | | |
| | | | | | | | |

| | | | | | |
|--------|--|-------------------------|---|--|--|
| 1.8 | Tonnage of Product | | | | |
| 1.8.1 | Past Annual Claim Certified Product | | Last Year Projected Certified Volume (Ton) | Actual Certified Volume from February 2022 to January 2023 (Ton) | |
| | FFB Processed | | 120,920 | 126,903 | |
| | CPO Production | | 26,713 | 26,161 | |
| | Palm Kernel (PK) Production | | 5,110 | 4,799 | |
| | | | | | |
| 1.8.2 | Product selling | | | | |
| | Type of selling product | | Actual selling product for last year (March 2022 to February 2023) (MT) | | |
| | CSPO sold as RSPO certified product | | 15,000 | | |
| | CSPK sold as RSPO certified product | | 6,300 | | |
| | CSPO sold under other scheme | | - | | |
| | CSPK sold under other scheme | | - | | |
| | CSPO sold as conventional | | 13,635 | | |
| | CSPK sold as conventional | | - | | |
| | *There's opening stock of CSPO on February 2022 as amount as 2,453 ton. *There's opening stock of CSPK on February 2022 as amount as 1,212 ton. | | | | |
| 1.8.3 | Estimate of Certified FFB Claim | | | | |
| | Name of Estate(s) | Total Area (Ha) | Production Area (Ha) | FFB (tonnes/year) | Yield (tonnes/ha/year) |
| | Arjuna | 3,510.20 | 3,235.72 | 51,700 | 15.98 |
| | Semeru | 3,058.02 | 2,955.49 | 47,000 | 15.90 |
| | Bromo | 2,143.32 | 2,071.27 | 33,100 | 15.98 |
| | TOTAL | 8,711.54 | 8,262.48 | 131,800 | 15.95 |
| | <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 Out put (tonnes) Extraction (%) | Palm Kernel Out put (tonnes) Extraction (%) Supply Chain Module |
| | EHP | 60 | 131,800 | 27,700 21.02 | 5,300 4.02 MB |
| | <i>*Projected FFB production for 12 months of certificate</i> | | | | |
| 1.9 | Other Certifications | | | | |
| | ISO 9001:2008 | | - | | |
| | ISO 14001: 2004 | | - | | |
| | OHSAS 18001:2007 | | - | | |
| | ISCC | | - | | |
| | ISPO | | MUTU-ISPO/118(27 July 2018 till 26 July 2023 | | |
| 1.10 | Time Bound Plan | | | | |
| 1.10.1 | Time Bound Plan for Other Management Units | | | | |

| Management Unit | | Estate (Supply Base) | Time Bound Plan | Location | Status Mill |
|--|-----------------|------------------------|-----------------|--|--------------|
| Mill | Time Bound Plan | | | | |
| EHP Mill (PT Eagle High Plantations) | 2019 | Arjuna Estate (BLP) | 2019 | Kotawaringin Barat, Kalimantan Tengah | Certified |
| | | Semeru (BLP) | 2019 | | |
| | | Bromo (BLP) | 2019 | | |
| | | BLP cadastral | 2023 | | HGU Process |
| | | Arjuna Plasma | 2023 | | HGU Process |
| | | Bromo Plasma | 2023 | | HGU Process |
| Bangkirai Mill (PT Jaya Mandiri Sukses) | 2022 | Bangkirai Estate (JMS) | 2022 | Kutai Kartanegara, Kalimantan Timur | IC |
| | | Gaharu Estate (JMS) | 2022 | | |
| | | Kulim Estate (JMS) | 2022 | | |
| | | Angsana Estate (JMS) | 2022 | | |
| | | Trembesi Estate (JMS) | 2022 | | |
| | | Jatimas Estate (JMS) | 2022 | | |
| | | Cendana Estate (STP) | 2023 | | LUCA process |
| | | Sungkai Estate (MAJ) | 2023 | | LUCA process |
| | | Damar Estate (MAJ) | 2023 | | LUCA process |
| BHL Mill (PT Bumihutani Lestari) | 2023 | Sibayak (BHL) | 2023 | Kotawaringin Timur and Katingan, Kalimantan Tengah | |
| | | Rinjani (BHL) | 2023 | | |
| | | Kerinci (BHL) | 2023 | | |
| | | Bukit Raya (BHL) | 2023 | | |
| | | Papandayan (BHL) | 2023 | | |
| | | Rinjani Plasma (BHL) | 2023 | | HGU Process |
| | | Kerinci Plasma (BHL) | 2023 | | HGU Process |
| | | | | | |
| ADS Mill (PT Adhyaksa Dhamasatya) | 2023 | Pangrango (ADS) | 2023 | Kotawaringin Timur, Kalimantan Tengah | LUCA process |
| | | Merbabu (ADS) | 2023 | | LUCA process |
| | | Padang Bunga (APN) | 2023 | Ketapang – Kalimantan Barat | LUCA process |
| | | Energie Pawan (AER) | 2023 | | LUCA |

| | | | | | | | | | |
|--------------------------------------|---|----------------------|---|------------------------------|------------------------------------|--------------------|------|------------------------------|--------------|
| | Kelampai Mill (PT Arrtu Plantation) | | | Kotabaru, Kalimantan Selatan | process | | | | |
| | | Siantau (ABP) | 2023 | | LUCA process | | | | |
| | | Pelanjau (AAN) | 2023 | | LUCA process | | | | |
| | | Nusantara Jaya (AAN) | 2023 | | LUCA process | | | | |
| | | Agro Jaya (AAN) | 2023 | | LUCA process | | | | |
| | | Mahota (MKJ) | 2023 | | LUCA process | | | | |
| | | Bidara (MKJ) | 2023 | | LUCA process | | | | |
| | | Intan (STP) | 2023 | | LUCA process | | | | |
| | | Merah Delima (STP) | 2023 | | LUCA process | | | | |
| | | Berlian (JMS) | 2023 | | LUCA process | | | | |
| | Batu Bulan Mill (PT Suryabumi Tunggal Perkasa) | 2023 | Kualam (JMS) | 2023 | Tanah Bumbu, Kalimantan Selatan | LUCA process | | | |
| | | | Batu Bulan (SGA) | 2023 | | LUCA process | | | |
| | | | Topas (SGA) | 2023 | | LUCA process | | | |
| | | | Emerald (SGA) | 2023 | | LUCA process | | | |
| | | | Safir Mill (PT Pesona Lintas Surasejati) | 2023 | | Safir Estate (PLS) | 2023 | Kotabaru, Kalimantan Selatan | LUCA process |
| | | | | | | Mutiara (SKS) | 2023 | | LUCA process |
| | Kalimaya (KAPAG) | 2023 | | | LUCA process | | | | |
| | Permata (MAJ) | 2023 | | | LUCA process | | | | |
| | Tulip Mill (PT Tandan Sawita Papua) | 2023 | Anggrek (TSP) | 2023 | Keerom, Papua | | | | |
| | | | Dahlia (TSP) | 2023 | | | | | |
| | | | Rafflesia (TSP) | 2023 | | | | | |
| | | | Tulip (TSP) | 2023 | | | | | |
| | | | Aggrek Plasma (TSP) | 2023 | | | | | |
| *TBP is approve on 19 December 2022. | | | | | | | | | |
| 1.10.2 | Progress of Associated Smallholders and Outgrowers for Certifiable Standard | | | | | | | | |
| | As described in the TBP scheme smallholder plan to be certified in 2023. | | | | | | | | |

| | |
|--------------|---|
| 2.0 | ASSESSMENT PROCESS |
| 2.1 | Assessment Team |
| ASA-4 | <p>1. Briyogi Shadiwa (Lead Auditor). Indonesian citizens. Associate Degree of Oil Palm Plantation, Bogor Agricultural University. He has work experience since 2009 in several private oil palm plantation companies in Indonesia as Assistant Agronomy and Agronomy Quality Control. The trainings that have been attended include: RSPO Lead Auditor Course by Checkmark, ISPO Auditor Training by LPP, Lead Auditor ISO 9001: 2015, RSPO Supply Chain Certification Training Course by Checkmark, Lead Auditor ISO 14001: 2015, SMK3 Awareness, OHSAS 18001 Awareness: 2007, SA 8000 Awareness, ISO 45001: 2018 Awareness and General OHS Expert Training. In this audit, he verified the Legal, Partial, BMP, OHS and SCCS aspect</p> <p>2. 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 Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. During this assessment verified Environment, HCV, and GHG Calculation</p> <p>3. Firda Tarunajaya (Auditor). Indonesian citizen, graduated from the Department of Silviculture, Faculty of Forestry, Bogor Agricultural Institute. He has working experienced as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor RSPO, Lead Auditor ISPO, Quality Management Systems (ISO 9001:2015) by IRCA, Environmental Management Systems (ISO 14001:2015), ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this assessment, he performed as Auditor and verified worker welfare and transparency aspect</p> <p>4. Johannes Kapri Pandiangan (trainee auditor). Indonesian citizen, Bachelor of Agriculture majoring in Agricultural Social Economics, University of North Sumatra. Has experience working for 7 years as an operational staff of one of the leading private oil palm plantation companies in Indonesia. The trainings that have been attended include: Training on emergency response to forest and land fires by the Riau Province BKSDA, IHT Certification System and ISPO P&C, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, ISO 14001:2015 Lead Auditor Training, ISO 9001 Lead Auditor Training: 2015 and ISPO Training. In this audit activity, verification is carried out on aspects of BMP and OHS, under supervision by the Lead Auditor.</p> |
| 2.2 | Assessment Methodology, Assessment Process and Locations of Assessment |
| 2.2.1 | Figure of person days to implement assessment |
| ASA-4 | <p>Number of auditors: 3 auditors and 1 trainee auditor.</p> <p>Number of days for ASA-4 Onsite Audit: 6 days</p> <p>Number of working days for ASA-4 Onsite Audit: 18 Working days</p> |
| 2.2.2 | Assessment Process |
| ASA-4 | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Eagle High Plantation Tbk. to the requirements of Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th 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.</p> <p>The scope of certification of Eagle High Plantations POM with FFB supplied by three (3) Estates: Arjuna, Semeru and Bromo Estate. 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.</p> <p>Some opportunities for improvement of the results ASA-1.4 delivered by the MUTU auditor to the management unit</p> |

and the results are the subject will be verified at the next assessment phase (Recertification). Improvement of findings from ASA-1.3 findings were observed by auditors at this ASA-1.4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.4.

The opening meeting was held on 27 March 2023. As for the participants who attended the opening meeting included Plantation Controller, General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff at Eagle High Plantations POM. Closing meeting was held on 01 April 2023 attended by the same participants as the opening meeting. Management PT Eagle High Plantation Tbk. accept all the onsite recertification audit results.

The assessment program please find Appendix 2.

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|--------------|---|
| 2.2.3 | Locations of Assessment |
| ASA-4 | <p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Bedaun Mill</p> <ul style="list-style-type: none"> • Land Application and Monitoring Well. Observation related to effluent handling and environment aspect etc. • Water Treatment Plant. Observations related work procedure, safety aspect, environment aspect etc. • Water Intake. Observations related work procedure, safety aspect, environment aspect etc. • WWTP. Observation related to effluent handling, work procedure, safety aspect, environment aspect etc. • Reservoir pump house. Observation related to safety aspect, environment aspect etc. • EFB, Fiber and Shell disposal area. Observation related to safety aspect, environment aspect etc. • Hazardous waste storage. Observation about storage condition, hazardous waste stock, emergency response facility, and waste management. • CPO Storage Tanks. Observation of storage tank capacity. • Kernel Bins. Observation of kernel bin capacity. • Workshop. Observation and Interview related to work procedure, OHS and workers welfare aspect. • General storage. Observation about storage condition, PPE stock, emergency response and OHS implementation. • Chemical material storage. Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock. • Hydrant Test. Simulation related to fire emergency respond. • Grading Station. Observations and interviews related work procedure, safety aspect, worker welfare etc. • Loading Ramp Station. Observations and interviews related work procedure, safety aspect, worker welfare etc. • Sterilizer Station. Observations and interviews related work procedure, safety aspect, worker welfare etc. • Engine Room. Observation related work procedure, safety aspect, worker welfare, environment aspect etc. • Boiler Station. Observation and interviews related work procedure, safety aspect, worker welfare etc. • Press Station. Observation and interviews related work procedure, safety aspect, worker welfare etc. • Nut and Kernel Station. Observation and interviews related work procedure, safety aspect, worker welfare etc. • Oil Tank Station. Observation's safety aspect, environment aspect etc. • Empty Bunch Area. Observation related to waste management. • Security post. Observations and interviews regarding supply chain flows, emergency response management, and employment aspects. • Weighbridge station. Observations and interviews regarding supply chain flows, labor aspects, and understanding related to recording certified or uncertified products. <p>Arjuna Estate</p> <ul style="list-style-type: none"> • Harvesting. Block D40 Division 3. Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare. • Manuring. Block E6B E6C Division 3. Observation on safe working practices and interview with the manuring workers related type of fertilizer use according to the procedure and also worker welfare. |

- **Spraying. Block F40 Division 4.** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Barn owl Box. Block C40A. Division 2.** Observation related integrated pest managements.
- **Signboard Land Fire Blok C40A Division 2.** Observation about facility land fire control.
- **HGU Pole No. BPN93 Block D30.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN94 Block D29.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN91 Block E31.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN29 Block F50.** Observation the conditions and position of legal boundary.
- **HCV area Block F39/F40 Riparian springs.** Observation related to management of environmental aspect.
- **HCV area Block D29B, Forest Area (For now is ex-palm oil planted area).** Observation related to management of environmental aspect.
- **HCV area Block F47B2, Riparian area.** Observation related to management of environmental aspect.
- **Occupations area Block E32 and F31.** Observation related to management of environmental aspect.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **PPE Storage.** Observation about facility and PPE stock.
- **Rinse House.** Observations related to the management of agrochemical materials and waste, MSDS, emergency response facilities and types of pesticides used.
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Solar Tank.** Observations related to material handling, OHS and environmental management.
- **Engine room.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Firefighting storage.** Observation about condition the firefighting facilities and equipment.
- **Workshop.** Observation and Interview related to work procedure, OHS and workers welfare aspect.
- **Firefighting simulation.** Observation about condition the firefighting facilities and equipment and preparedness.
- **Landfill Block F41/42.** Observation related environmental aspect.
- **Subsidence pole and piezometer Block CB/E6c.** Observations and interviews regarding the management and monitoring of peat areas.
- **IPM (Pheromone trap). Block E36. Division 3.** Observation related integrated pest managements.
- **HCV 4.1 Riparian Area, Block F06.** Observation the implementation of management in HCV of riparian area Seluang river.
- **HGU Pole No. 11, No. 04 and No. 06.** Observations regarding marking of boundary markers and separated between certified and uncertified area.

Semeru Estate

- **Manuring Block H37B H38B Division 2.** Observation on safe working practices and interview with the manuring workers related type of fertilizer use according to the procedure and also worker welfare.
- **Spraying Block H39CA H39CB Division 3 (5 Pesticide Applicator).** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Harvesting. Block H37 H38 Division 2.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Loose Fruit.** Observation and interview with loose fruit pickers, safe working practices and also worker welfare.
- **HCV Forest area and Springs. Block G38.** Observations on HCV management and area boundary marking.
- **Talang River Riparian. Block G41.** Observations and interviews regarding river border area management.
- **Occupational area. Block H16.** Observations on land tenure by other parties within the company's area.

- **HCV Springs and reservoirs. Block 132A/B and Block 133.** Observations and interviews regarding the management of HCV areas.
- **Subsidence pole and piezometer. Block H17/H18.** Observations and interviews regarding the management and monitoring of peat areas.
- **HGU Pole No. 75 and No. 83.** Observations regarding marking of boundary markers and separated between certified and uncertified area.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Engine room.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Day care facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **PPE Storage.** Observation about facility and PPE stock.
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview with 1 worker about worker welfare, OHS implementation, and understanding of work procedure.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Block H18b Division 4 (2 harvester).** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Pheromone trap H18b Division 4.** Observation related integrated pest managements.
- **Harvester & Lose fruit collection Block J49.** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
- **HGU stakes and land demarcation No. 35, 36, and 37.** Observation of aspect of land demarcation and maintenance of HGU stakes, and land dispute potency.
- **Occupation area, Block I46 and I18.** Observation related occupation area by villager, land demarcation, and preventive action.
- **HCV spring, Block I 23.** Observation the implementation of management in HCV of water source.

Bromo Estate

- **Spraying. Block J23 Division 3.** Observation on safe working practices and interview with the spraying workers related type of pesticides use according to the procedure and also worker welfare.
- **Daycare facility.** Observation about facility and interview about worker welfare, gender committee, and facility for worker.
- **Harvesting. Block K31 K32 Division 2.** Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.
- **Signboard Land Fire Blok J39 Division 3.** Observation about facility land fire control.
- **Firefighting tower Block J23.** Observation about condition the firefighting facilities and equipment.
- **Barn owl Box. Block J22. Division 3.** Observation related integrated pest managements.
- **Fuel Tank.** Observations related to material handling, OHS and environmental management.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Employee Housing.** Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **PPE Storage.** Observation about facility and PPE stock.
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation, and interview related worker welfare, OHS implementation, and understanding of work procedure.
- **Manuring. Block J32 Division 2.** Observation on safe working practices and interview with the manuring workers related type of fertilizer use according to the procedure and also worker welfare.
- **Engine room.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Water reservoir.** Observation about water stock for employee housing and related to environmental aspect.

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| | <ul style="list-style-type: none"> • Harvesting, Block L30. 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. • HGU stakes and land demarcation No. 08, 07, and 06. Observation of aspect of land demarcation and maintenance of HGU stakes, and land dispute potency. • HCV 4.1 Riparian Area, Block K52. Observation the implementation of management in HCV of riparian area Balung river. • Rinse room. Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used. • Fire Fighting Facilities. Observation and simulation the emergencies response facilities. • Fertilizer warehouse. Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used. • Oil and Agrochemicals Warehouse. Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used. |
| 2.3 | Stakeholder Consultation and Stakeholders Contacted |
| 2.3.1 | Summary of stakeholder consultation process. |
| ASA-4 | <p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT EHP and PT BLP was held by:</p> <ul style="list-style-type: none"> • Public Notification on website on MUTU Website on 13 March 2023 • Public consultation with NGOs (by email) such as Greenpeace, Perkumpulan Elang, Jikalahari, Sawit Watch on 20 March 2023 • Public consultation meeting with government institution 28 March 2023 • Public consultation meeting with communities on 28 March 2023 • Public consultation meeting with internal stakeholders and contractor 28 March 2023 |
| 2.3.2 | Stakeholder contacted |
| | <i>Please find appendix 1</i> |
| 2.4 | Determining Next Assessment |
| | The next visit (Recertification) will be conducted eight (8) month to twelve (12) month 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 Eagle High Plantations POM – PT Eagle High Plantations, subsidiary of Eagle High Plantations Tbk. operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were seven (7) Nonconformities were assigned against Major Compliance Indicator; five (5) nonconformity(s) were assigned against Minor Compliance Indicators and three (3) opportunity(s) 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 Auditor(s) in form of documentation evidence(s) e.g. Those corrective action(s) taken that consist of seven (7) Major non-conformity(s) had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Eagle High Plantations POM – PT Eagle High Plantations, subsidiary of Eagle High Plantations Tbk. complied with the requirements of **RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 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 company regulates management documents available to the public in the procedure SOP-OTH-F3-020 regarding requesting and providing information that is authorized by the CEO of PT. EHP on 10 January 2019. The SOP explains that any requests for information must be responded to by the company within 7 working days after the company receives a letter of request from the applicant. The SOP also explains that companies have criteria for providing periodic and mandatory information including <i>RKL-RPL</i> (every semester), Mandatory manpower report (once a year), <i>LKUP</i> (every semester), <i>LKPM</i> (every semester), OSH Committee report (every quarter), etc.</p> <p>Requests for information from companies can be addressed via email, letter, telephone, fax or by visiting the regional office or site office (Estate/Mill). If the request is direct, the receiving department will record the request for information in the book.</p> <p>The document arrangement instructions include:</p> <ul style="list-style-type: none"> Widely accessible documents <i>AMDAL</i> document, Company annual report, company policy, Monthly plantation & factory production report; total area of factory plantation operations along with maps, river maps, company organizational structure, HCV Report & Management Plan; SIA Report; magazines, tribunes or company bulletins, monitoring plantation statistics, data on company employees, data on the use of foreign workers and SOPs for all departments. Accessible documents with approval | |

Deed of establishment and company amendment deed, company profit/loss, company balance sheet, non-staff salary, identity of operational heads, staff & employees; list of company assets; list of land/plantation business land; community development plan (CD); land acquisition payment data; complain & complaint; distribution map of endangered species in conservation areas; plasma funds usage data; 3rd party donations; CPO sales data; implementation of corporate CSR; plasma production data and SHP map files.

- Public documents but will become confidential if disclosure will have a negative impact on the company and its surroundings
For example, CSR program documents, if disclosed, will make one Village feel jealous of another Village and could result in chaos, then this document must be kept confidential.

Based on the description above, it shows that the Unit of Certification can provide sufficient information to stakeholders related to environmental, social and legal matters relevant to the RSPO Criteria in the appropriate bahasa and form.

1.1.2

The company has submitted management information to interested parties, including periodic and mandatory types of information provision, such as *RKL-RPL* reports (every semester), Mandatory manpower reports (once a year), *LKUP* (every semester), *LKPM* (every semester), OSH Committee report (every quarter), etc. For example, there is an online employment report on March 18, 2023 with reporting number 12950.20230318.0002 on behalf of the company PT. Bumilanggeng Perdanatrada and on behalf of PT. Eagle High Plantation Mill with reporting number 12950.20230318.0003. The employment report is presented in Indonesian and contains company code, company name, company address, telephone number, postal code, type of business, company owner's name, company address, company establishment, capital status, normal working hours, wages, company facilities, Employment *BPJS*, worker training programs, facts of integrity, date of report and obligation to report back. The two companies are required to make an employment report again on March 18, 2024 addressed to the Manpower and Transmigration Agency, Kalimantan Tengah Province.

Based on the description above, it shows that the information is presented in an appropriate bahasa and can be accessed by the relevant stakeholders.

1.1.3

The company has an SOP-OTH-F3-020 procedure regarding requests for and providing information on January 10, 2019. The SOP explains that every request for information must be responded to by the company within 7 working days after the company receives a letter of request from the applicant. Based on a study of the log book documents for incoming and outgoing letters in 2023, there were no incoming letters related to requests for information. However, there were records of outgoing letters, for example letters addressed to the West Kotawaringin Manpower and Transmigration Agency, Kalimantan Barat Province, regarding the activity report of *LKS* Bipartite PT. EHP Mill on March 28 2023 with letter no 023/Ekst/BLP/III2023.

1.1.4

The company has a procedure SOP-OTH-F6-001 regarding external communications on March 5th, 2020. The procedure explains that the corporate secretary is responsible for providing information to strategic partners, potential strategic partners, stakeholders, business partners and shareholders.

The company has conducted socialization regarding this procedure on March 13th, 2023 at Division 3 ARJE attended by 78 employees. The socialization activity conveyed several things, namely company regulations, *BPJS*, payroll, working hours and overtime, company vision and mission, Prohibition of slavery and forced labor, Equal opportunity and treatment, Complaint mechanism, Prohibition of bringing children to the land and hiring minors, Prohibition of sexual harassment and violence, Freedom of association and organization and the Code of ethics that applies within the company.

Based on the description above, it shows that the company has consultation and communication procedures that are explained to all relevant stakeholders.

1.1.5

The company has the latest list of stakeholders dated December 7, 2022 which provides the name of the institution/agency/individual, name/contact person, address and telephone number. The list of stakeholders consists of

provincial-level agencies, district-level agencies, sub-district level agencies, police and military, village government, traditional and community leaders, cooperatives, education (elementary, junior high, high school, tertiary institutions), health care facilities, banks, vendors, and contractors. The entire list of stakeholders can be contacted, this is in accordance with the results of public consultations with several government representatives in Kotawaringin Barat district, such as the Department of Plantations, Environment Agency, Land Agency and the Manpower and Transmigration Agency of Kotawaringin Barat District.

Based on the description above, it shows that the company already has an up-to-date list of contacts and detailed information on stakeholders.

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| 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 Company demonstrated the 2018 code of conduct standard which was approved by the Chief Executive Officer which became effective on December 6, 2017 with the aim that EHP is committed to implementing high ethical standards for the Board of Commissioners, Board of Directors & Management, Employees, Customers, Suppliers ; Consumer; Government & Society in the environment where the EHP Group operates and understand the important principles in running the business which are used as guidelines in maintaining and building the reputation of the EHP Group as a business partner, employer, supplier and part of the responsibility and trust of the company. The policies presented include; Compliance with laws, regulations & company policies; ethical business conduct & fair relationships; conflict of interest; health, safety & Environment; company property & assets; job performance; Human rights and political activity. Implementation of the code of ethics such as violation of the code of ethics; reporting violations; compliance statement & communication & consulting.

1.2.2

The company has a system to monitor compliance and implementation of these policies, as well as ethical business practices, namely SOP – OTH – F3 – 019 Version 2.0 about Complaint Handling which has been in effect since January 10, 2019. The procedure describes several types of complaints, including:

- Employment complaints
- Non-work complaints
- Community complaints
- Customer complaints
- Another complaint.

This SOP also explains that the company guarantees the confidentiality of the reporter or the reporter. Based on the results of interviews with management, there is no evidence of violations of the company's ethical behavior practices, such as bribery or nepotism.

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| Status: Comply |
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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 Bedaun POM certification unit is under PT EHP, while the plantation area is under PT BLP. In fulfilling compliance, the company has complied with all relevant laws and regulations, namely by having the following documents:

The compliance with Social and Environmental Regulations:

- The company already has UKL-UPL Addendum documents on behalf of PT BLP and PT EHP for Plantation activities covering an area of 9,501.12 Ha and Palm Oil Processing with a capacity of 60 Tons of FFB/hour which has been approved by the Environmental Agency of Kotawaringin Barat Regency Number 660/89/ BLH.III/II/2016 dated 22 February 2016. The addendum is related to the expansion of the area from 560 Ha to 9,501.12 Ha and an increase

in production capacity from 45 Tons of FFB/Hour to 60 Tons of FFB/Hour. Related to PermenLH Number 5 of 2012 concerning Types of businesses and or activities that are required to have an AMDAL. The RKL-RPL addendum document has been approved by the Regional AMDAL Assessment Commission of Kotawaringin Barat Regency Number 660/84/BLH.III/II/2016 dated 22 February 2016.

- The company also has an Environmental Permit based on the Decree of the Kotawaringin Barat Regent Number 660/05/BLH/I/2016 dated 23 February 2016. The Environmental Permit is issued based on the 2016 UKL-UPL Addendum document.
- Hazardous and Toxic Waste Management Permit for PT EHP Bedaun Mill unit based on the Decree of the Kotawaringin Barat Regent Number 660/6/DLH.IV/TPS/IV/2016 dated 12 April 2016 which is valid for 5 years from the date of stipulation. Related to this, the company showed document application letter No. 01/EXT/EHP/II/2023 regarding the issuance of technical approval and technical details for the storage of hazardous waste on 28 February 2023. On 13 March 2023 there was a letter from the West Kotawaringin Regency Environmental Service No. 600.4.5/191/DLH.5 regarding Issuance of PT EHP Environmental Approval which explains that companies can carry out environmental technical approval screening independently, and now the document is being prepared internally
- Hazardous and Toxic Waste Management Permit for PT BLP based on the Decree of the Kotawaringin Barat Regent Number 660/538/DLH.3/IV/2020 dated 21 April 2020 which is valid for 5 years from the date of stipulation.
- Wastewater Utilization Permit for Land Application for PT EHP based on the Decree of the Head of the Environmental Agency of Kotawaringin Barat Regency number 503/004/LH/DPMPPTSP.D dated March 13, 2020 which is valid for 5 years from the date of stipulation.
- The company already has a Surface Water Intake and Utilization Permit for PT EHP Bedaun Mill unit based on the Decree of the DPMPPTSP of Kotawaringin Barat Regency Number 503/0001/IPPAP/DPMPPTSP.D on 27 May 2019 and is valid for 3 years. In the document there is a provision for a quota of surface water intake of 25,000 m3/month.
- Based on the results of the review of the Surface Water Intake and Utilization Permit No. 503/0001/IPPAP/DPMPPTSP.D dated 27 May 2019 which is valid for 3 years and the Hazardous Waste Storage Permit Document No. 660/6/DLH.IV/TPS/IV/2016 dated 12 April 2016 which is valid for 5 years. This indicates that both permits have expired. However, the company can show evidence of processing the extension of the permit document, and until the time the audit is carried out there are still obstacles due to changes in the licensing management mechanism based on Law Number 11 of 2020 regarding Job Creation and Government Regulation Number 22 of 2021 regarding the Implementation of Environmental Protection and Management. During the ASA-4 audit, the company showed a certificate document from the Ministry of Public Works and Public Housing of the Kalimantan River Region II Palangkaraya Office No. 055/KET/Bws24/2023 dated 28 March 2023 which explains that the Surface Water Intake and Utilization Permit is still on progress.

Compliance with regulations related to Worker Welfare

- Online employment report on March 18th, 2023 with reporting number 12950.20230318.0002 on behalf of PT. Bumilanggeng Perdanatrada and PT. Eagle High Plantation Mill with reporting number 12950.20230318.00030.
- Ratification of Company Regulations based on Decree of the director general for the development of industrial relations and social security for workers No. Kep. 4/HI.00.00/00.0000.220607019/B/X/2023 Regarding Ratification of PT. BLP, Tbk January 10th, 2023 a.n Director General Director of Labor Relations and Wages. This Company Regulations is valid from January 10th, 2023 to September 9th, 2025 and has been contained in the Company Regulation Ratification Register Book at the Ministry of Manpower No. 220607019
- Ratification of Company Regulations based on Decree of the director general for the development of industrial relations and social security for workers No. Kep. 4/HI.00.00/00.0000.220607022/B/X/2022 Regarding Ratification of PT. EHP, Tbk on October 28th, 2022 a.n Director General Director of Labor Relations and Wages. This Company Regulation is valid from October 28th, 2022 to October 27th, 2024 and has been contained in the Company Regulation Ratification Register Book at the Ministry of Manpower No. 220607022
- Ratification *LKS* Bipartite of PT. EHP based on the Decree of the Kotawaringin Barat of The Manpower and Transmigration Agency No. Kep. 568/63/DTT/HIJ-SYAKER/VI/2022 on June 3th, 2022 valid until June 2nd, 2025, consisting of chairman, deputy chairman, secretary, deputy secretary and members
- Ratification *LKS* Bipartite of PT. BLP based on the Decree of West Kotawaringin Manpower and Transmigration Office No. Kep. 568/62/DTT/HIJ-SYAKER/VI/2022 on June 3rd, 2022 valid until June 2nd, 2025, consisting of chairman, deputy chairman, secretary, deputy secretary and members.

Legality Aspect

- The company already has land rights in the form of HGU and HGB according to laws and regulations.
- Have a plantation business license in accordance with statutory regulations.
- The company has developed a plasma plantation which is managed directly according to the obligations stated in the business license it has.

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.

2.1.2

The certification unit has SOP *Pemenuhan Persyaratan Perundangan Dan Evaluasinya* (SOP-OTH-F3-016, 10 Jan 2019). This procedure aims to identify, update, assign and obtain laws and regulations/requirements related to quality, environment, occupational safety and health, as well as the principles of sustainable palm oil production. Every Business Unit/PT under PT. Eagle High Plantations Tbk must ensure compliance against the applicable laws and regulations. This Document Handler can be Assistant Sustainability or other staff who are given additional duties as Document Control. List updates must be done annually. By February at the latest, sign up must have been completed and the deficiencies in their fulfillment must be submitted to related management units.

The unit of certification has a list of legal regulations contained in the Summary and Review of Conformity with Regulations and Legislations and Other Requirements. The regulations cover aspects of agribusiness, employment, environment, and other regulations related to the company operational activities last update on 24 January 2023 i.e:

- Government regulations No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs.
- Government regulations No 36 of 2021 concerning Wages.
- Government regulations No 37 of 2021 concerning Job Loss Guarantee.
- Regulation of environmental ministry No. P.12 of 2020 concerning Storage of Hazardous and Toxic Waste.
- Regulation of the Minister of Manpower number 4 Of 2022 concerning payment procedures and terms for "*Jaminan Hari Tua*."

Evaluation of law registers for contractors, such as PT Semesta Langgeng Sentosa (hazardous waste transportation) which have been implemented on 30 January 2023. Explanation on contractor compliance is explained in more detail in 2.2.2. In addition, an internal RSPO audit has also been carried out to ensure contractor compliance with regulations by February 2023.

2.1.3

The company has a map that showing the location of the boundary poles in each estate. The company has also monitored HGU boundary pole in March 2023 by showing the results of monitoring record "*Monitoring Patok HGU Periode 2023*" in accordance with the maintenance procedures (SOP *Monitoring dan Perawatan Patok Batas HGU/Kadastral/HGB*, 3 December 2018). The procedures include stating that the Survey Supervisor, Geodetic Asst. and Mapping. ensure and coordinates with the head unit so that the position and number of the stake are in accordance with the Land Use Title / and Building Right map. In addition, it is also stated that the stakes care is carried out at least once a year. The results of field observations on the boundary pole for example No. 36, 35 (Semeru Estate), No. 28, 26, 11, 04, 06 (Arjuna Estate) are found and that the condition of the boundary poles is well maintained.

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| Status: Comply |
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2.2

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

2.2.1

The company already has a list of contractors for 2023 which was updated on January 5th, 2023. The list provides information regarding vendor numbers, contractor names, type of business and work locations. The types of services listed on the list of contractors include heavy equipment rental, car rental, generator rental, employee transportation, FFB transportation, EFB transportation, laterite transportation, PK transportation, and CPO transportation. All of these vendors are still actively doing their work at PT. EHP and BLP.

Based on the description above, it shows that the company already has a list of contractors.

2.2.2

The company shows a list of local contractors in 2023 which consists of 41 contractors. The company has conducted a management review and continuous improvement plan for 2022 for CV. Signa Rasya and UD. Manyam Raya which was held on April 1st, 2022 with the following results:

- Fulfillment of business entity legality 100%
- Fulfillment of salary slip documents for employees 60%
- Fulfillment of work agreement documents 20%
- Fulfillment of paying labor salaries in accordance with the applicable *UMSK* 80%
- Fulfillment of Employee Assurance 40%
- Fulfillment of Health Assurance 20%
- Fulfillment of PPE for employees 100%

However, the company has not been able to demonstrate compliance with CV. Signa Rasya and UD. Manyam Raya against applicable laws, including:

- Membership of workers in *BPJS* health and *BPJS* employment.
- The minimum wage is in accordance with the applicable regulations according to PP 36 of 2021 concerning Wages in article 5 which explains the minimum wage policy.
- A copy of the SPK has not been shown between the worker and the service provider.

The company has not been able to show that third parties can show evidence of compliance with applicable legal obligations. **NC 2023.01 with Major Category.**

2.2.3

All contracts, including those with FFB suppliers, have clauses that prohibit practices involving child labour, forced labour, and workers from human trafficking. For example, the Sale and Purchase Agreement of Oil Palm Fresh Fruit Bunches between PT. EHP and CV. Karya Bersama No. 005/EHP-CVKARYABERSAMA/TBS/III/2023 on March 31st, 2023 valid until March 31st, 2024. In addition, the agreement agreed to comply with taxation (PPH and PPN) and legal elements.

Based on the results of observations at the weighing station and grading station PT. EHP did not find any FFB transport drivers in the category of child labor and they used PPE according to company policy.

Based on the description above, it shows that all contracts, including contracts with FFB suppliers, have separate clauses that prohibit child labor, forced labor, and workers from human trafficking.

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| 2.2.2 | Status: Non-conformance NC.2023.01 with major category |
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2.3

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

2.3.1

The unit of certification has informed all FFB received by the factory. both certified and non-certified. Supplier data has also been equipped with geolocation information, land ownership status to plantation addresses, for example:

| A. INTERNAL | | | | | | | | | |
|-------------|--|--------------------------------|--------------------------------|---|--------------------|---------------------|-----------------|---------------------------------------|--|
| No | Nama Supplier FFB | Jenis Supplier (Beri / Plasma) | Jumlah Petani (Orang / Hektar) | Alamat Kebun (Desa) | Titik Koordinat | | Luas Areal (ha) | Pemilik FFB Melalui (DD Holder / SPB) | Status Legalitas (PGRS, SHM, SKT, SAGP, dll) |
| | | | | | Latitude (LU - LS) | Longitude (BT - BB) | | | |
| 1 | Ayuna Estate (PT. Bumilanggang Perdanatrade) | Perusahaan | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 41 55 31' L | 111 51 0 45' BT | 3 629 | SPB | HGU |
| 2 | Simanu (PT. Bumilanggang Perdanatrade) | Perusahaan | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 42 5 79' L | 111 49 58 30' BT | 3 023 | SPB | HGU |
| 3 | Bromo (PT. Bumilanggang Perdanatrade) | Perusahaan | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 42 43 34' L | 111 49 27 32' BT | 2 371 | SPB | HGU |
| 4 | Ayuna (PT. Bumilanggang Perdanatrade) | Koperasi | 338 | Desa Kumai Hulu Sebang, Kec. Kumai, Kab. Kotawaringin Barat | 2 41 26 56' L | 111 48 31 58' BT | 384 | SPB | SKT |
| 5 | Bromo (PT. Bumilanggang Perdanatrade) | Koperasi | 1725 | Desa Bedauh, Kec. Kumai, Kab. Kotawaringin Barat | 2 48 3 11' L | 111 48 23 32' BT | 1 051 | SPB | SKT |

| B. EKSTERNAL | | | | | | | | | |
|--------------|-----------------------------------|--|--------------------------------|---|--------------------|---------------------|-----------------|---------------------------------------|--|
| No | Nama Supplier FFB | Jenis Supplier (Perusahaan / Koperasi / Agen / Petani) | Jumlah Petani (Orang / Hektar) | Alamat Kebun (Desa) | Titik Koordinat | | Luas Areal (ha) | Pemilik FFB Melalui (DD Holder / SPB) | Status Legalitas (PGRS, SHM, SKT, SAGP, dll) |
| | | | | | Latitude (LU - LS) | Longitude (BT - BB) | | | |
| 1 | H. Saliman (KOPKASASI Hali Nivya) | Koperasi | - | Desa Kumai Hulu Sebang, Kec. Kumai, Kab. Kotawaringin Barat | 2 41 17 55' S | 111 47 58 28' E | 41-250 Ha | DD Holder | SKT |
| 2 | Imanudin CV. And Pura Tunggal | Petani | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 41 17 59' S | 111 47 58 28' E | - | DD Holder | SKT |
| 3 | Lab Elend | Petani | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 41 17 59' S | 111 47 58 28' E | 41-300 Ha | DD Holder | SKT |
| 4 | CV HOSAMA | Agen | - | Desa Bedauh, Kecamatan Kumai, Kabupaten Kotawaringin Barat, Kalimantan Tengah | 2 41 17 59' S | 111 47 58 28' E | 41-400 Ha | DD Holder | SKT |

In this data, there is quite clear information related to FFB suppliers, such as geolocation, land ownership status to addresses and certification status.

2.3.2

Based on verification during the audit activity, the following evidence was found:

- Based on the results of a review of the document "List of PT Eagle High Plantation FFB PKS Suppliers for the January-December 2022 period", there is information on several collector agents, for example CV Arut Permai, CV Pantas Group, CV Karya Bersama, CV Anita Group, to CV Karya Mandiri Jaya Abadi.
- As a result of public consultations with FFB suppliers on behalf of PT Sekawan Artha Niaga, it is known that he is a FFB collecting agent from another party.
- The company has not been able to provide evidence of further information related to the FFB received by the collectors as required by indicator 2.3.1.

Based on these objective evidences, the company has not been able to provide evidence of indirectly obtained FFB information. **NCR No. 2022.02.**

| | | |
|---|---|--|
| 2.3.2 | Status: Non-Conformance NC.2023.02 with minor category | |
| PRINCIPLE #3 OPTIMISE PRODUCTIVITY, EFFICIENCY POSITIVE IMPACTS AND RESILIENCE | | |

3.1

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

3.1.1

The company has a 5-year long-term plan as stated in the Five-Year Projection document for PT Bumilanggang Perdana Trada and PT Eagle High Plantation (EHP POM) for 2019 – 2023. The document describes FFB production, CPO production and PK, OER, KER, FFB selling price, the selling price of CPO and PK, maintenance costs, income, and net profit as follows:

| Description | Unit | Year | | | | |
|-------------|------|--------|--------|--------|--------|--------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 |
| FFB | Ton | 227,68 | 251,50 | 272,43 | 278,04 | 276,88 |

The company has also shown an annual evaluation document of its long-term plans as contained in the Management Review document on December 29, 2022. The evaluation discusses the achievement of the 2022 program and the strategy for achieving the 2023 target.

3.1.2

The company has shown a document on the plan for oil palm replanting activities at PT Bumilanggang Perdanatrade. The replanting program is as follows:

| Plan Replanting (Year) | Area (ha) |
|------------------------|-----------|
| 2024 | |
| 2025 | 713.37 |
| 2026 | 1,9773.52 |
| 2027 | 768.89 |
| 2028 | 359.29 |

The company has conducted routine evaluations regarding plans for replanting oil palm activities at PT Bumilanggeng Perdanatrada, such as a management review conducted on December 29, 2022. The evaluation explained that replanting activities will be carried out starting in 2025 and replanting will be carried out in mineral areas.

3.1.3

The company routinely carries out evaluations, including management evaluations which are conducted once a year to evaluate target achievement in one year and once a month to evaluate monthly target achievement as shown in the management review document dated 3 January 2023 PT BLP and PT EHP which include an evaluation in 2022 , with the following agenda:

- Internal audit results
- Customer feedback
- Process performance and product conformity
- Status of preventive and corrective actions
- Follow up from management review
- Changes that may affect the management system
- Recommendations for improvement
- When is the management review conducted
- Are there any meeting minutes
- How is the result of the review
- Whether actions have been implemented

From the results of the management review, the company then makes a work plan based on the evaluation results to be implemented in the next period.

| | | |
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| | Status: Comply | |
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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

BMP

The company has demonstrated the implementation of sustainable improvements that have been made by the company. an example is the implementation of an internal audit of Estate and POM operations. The Operational Audit Reports at PT Bumilanggeng Perdanatrada and PT Eagle High Plantation are:

- Report on inspection results Number: 23/A1-6/ARJE/22 dated 31 August 2022
- Report on inspection results Number: 21/A1-5/BRME/22 dated 20 September 2022
- Report on inspection results Number: 24/A1-6/SMRE/22 dated 13 September 2022
- Inspection report Number: 44/A2-11/EHPM/22 dated 18 January 2023 for EHP Mill

The company has also shown follow-up documents on the results of internal operational audits for each estate and factory. Based on the document it is known that all findings have been corrected.

As a form of sustainability improvement carried out by PT EHP and PT BLP in best cultivation practices is controlling pests and diseases by utilizing natural enemies such as *Tyto alba* and planting beneficial plants as breeding grounds for *Sycanus sp* insects which are natural enemies of leaf caterpillars.

3.2.2

The company shows an annual report document using the RSPO Metric Template. However, there are still a number of items that are not in accordance with the supporting reports, including:

| Indicator | Metric Template | Supported Document |
|---|-----------------|--------------------|
| HCV Area | 355 ha | 146.57 Ha |
| Production Arjuna Estate (Jan s/d Dec 22) | 53,874 ton | 48,449 ton |

| | | |
|---|------------|------------|
| Production Bromo Estate (Jan s/d Dec 22) | 38,976 ton | 30,005 ton |
| Production Semeru Estate (Jan s/d Dec 22) | 48,741 ton | 46,764 ton |

Based on that evidence, the annual report using the RSPO Metric Template does not match the supporting data. **NCR No. 2023.03.**

| | | |
|--------------|--|--|
| 3.2.2 | Status: Non-Conformance NC.2023.03 Minor category | |
|--------------|--|--|

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has shown a document listing work procedures that apply to all subsidiaries of PT Eagle High Plantation, for example as follows:

Agronomic Procedures

- MAN-UOM-001 concerning technical guidelines for agronomy, which among other things explain:
 - Chapter II on oil palm nurseries
 - Chapter III on land clearing
 - Chapter IV on planting oil palm
 - Chapter V on weed control
 - Chapter VI on fertilization
 - Chapter VII on pests and diseases
 - Chapter VIII on guidelines for the use of agricultural chemicals
 - Chapter IX on maintenance of roads, ditches and water management, bridges and culverts
 - Chapter X about tree shoots
 - Chapter XI on boundary markings, census and principal identification
 - Chapter XII on harvest preparation
 - Chapter XIII on harvesting and transportation
 - Chapter XIV regarding utilization of mill waste
 - Chapter XV on environmental sustainability
- SOP-EHP-AGR-13 regarding water management in peat areas.

MILL procedure

- SOP-MO-001 regarding operational mill, which consists of:
 - Chapter A, namely SOP-UOM-MO-001 regarding acceptance of FFB
 - Chapter B, namely SOP-UOM-MO-002 concerning CPO and PK production
 - Chapter C, namely SOP-OTC-003 concerning shipments of CPO and PK
 - Chapter D, namely SOP-UOM-MO-004 concerning cleaning of CPO storage tanks
- SOP-EHP-Mill-10 regarding Non-conformity Control.
- Work Instructions-Mill-01 regarding weighbridges.
- Work Instructions -Mill-08 regarding kernel mills.

Based on the document review, it can be concluded that the procedures in place cover all processes and activities in the plantation and factory and are placed in a special cupboard. In addition, the procedure also includes the effective date of the procedure and approval from management, for example the SCCS procedure with SOP-OTH-F3-022 number concerning Raw Material and Production Supply Chain dated January 10, 2019 which was approved by the CEO.

Based on the results of the field visit at the EHP POM sorting station, it was found that the sorters had understood the procedure for receiving FFB and could demonstrate it to the auditors.

3.3.2

The company has a system that ensures consistency in the implementation of procedures, one of which is internal operational audit. The company has shown the Operational Audit Report documents at PT Bumilanggeng Perdanatrada and PT Eagle High Plantation, namely:

- Report on inspection results Number: 23/A1-6/ARJE/22 dated 31 August 2022

- Report on inspection results Number: 21/A1-5/BRME/22 dated 20 September 2022
- Report on inspection results Number: 24/A1-6/SMRE/22 dated 13 September 2022
- Report on inspection results Number: 44/A2-11/EHPM/22 dated 18 January 2023 for EHP Mill

The company has also shown follow-up documents on the results of internal operational audits for each estate and factory. Based on the document it is known that all findings have been corrected. The internal audit report has covered all of the company's operational activities including all contractors at PT EHP and PT BLP.

3.3.3

The company has a system that ensures consistency in the implementation of procedures, one of which is internal operational audit. The company has shown the Operational Audit Report documents at PT Bumilanggeng Perdanatrada and PT Eagle High Plantation, namely:

- Report on inspection results Number: 23/A1-6/ARJE/22 dated 31 August 2022
- Report on inspection results Number: 21/A1-5/BRME/22 dated 20 September 2022
- Report on inspection results Number: 24/A1-6/SMRE/22 dated 13 September 2022
- Report on inspection results Number: 44/A2-11/EHPM/22 dated 18 January 2023 for EHP Mill

The company has also shown follow-up documents on the results of internal operational audits for each estate and factory. Based on the document it is known that all findings have been corrected.

In addition, the Company has also shown the results of the public accountant's audit results contained in the financial audit report for the 2021 financial year Number 00217/2.1090/AU.1/01/0148-3/1III/2022 dated 29 March 2022 which was carried out by the Public Accounting Firm with opinion on financial statements is presented fairly in accordance with Indonesian financial accounting standards.

Based on the explanation above, it is known that the certificate holder already has records of monitoring and follow-up carried out, maintained and available.

| | | |
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| | Status: Comply | |
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3.4

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

3.4.1

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

Environmental Impact Assessment (EIA)

Unit Certification Bedaun Mill is under the company PT EHP and PT BLP, the company already has an Environmental Impact Assessment (EIA) document that has covered all areas that fall within the scope of certification and can be proven based on the following documents:

- The company already has UKL-UPL Addendum documents on behalf of PT BLP and PT EHP for Plantation activities covering an area of 9,501.12 Ha and Palm Oil Processing with a capacity of 60 Tons of FFB/hour which has been approved by the Environmental Agency of Kotawaringin Barat Regency Number 660/89/ BLH.III/II/2016 dated 22 February 2016. The addendum is related to the expansion of the area from 560 Ha to 9,501.12 Ha and an increase in production capacity from 45 Tons of FFB/Hour to 60 Tons of FFB/Hour. Related to PermenLH Number 5 of 2012 concerning Types of businesses and or activities that are required to have an AMDAL. The RKL-RPL addendum document has been approved by the Regional AMDAL Assessment Commission of Kotawaringin Barat Regency Number 660/84/BLH.III/II/2016 dated 22 February 2016.
- The company also has an Environmental Permit based on the Decree of the Kotawaringin Barat Regent Number 660/05/BLH/II/2016 dated 23 February 2016. The Environmental Permit is issued based on the 2016 UKL-UPL Addendum document.

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

Social Impact Assessment (SIA)

The company already has a social impact identification document, namely the Social Impact Identification Study of Plantations and Palm Oil Mills (SIA) of PT EHP and PT BLP, 2013. The study was conducted in June 2013 by Sonokeling involving affected parties as evidenced by a socialization meeting / Public Consultation Social Impact Assessment (SIA), on June 17, 2013 with 76 participants consisting of representatives from surrounding villages and sub-districts, community leaders and representatives from companies. Evidence of community involvement in the form of attendance lists, photos of implementation and examples of questionnaire attachments are included in the SIA document. The assessment method is carried out using a list of questionnaires that have been prepared through an interview system and measurable data collection.

The SIA study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the villagers around the company, environmental management efforts in the social, economic and cultural fields as well as perceptions community about the existence and benefits of PT EHP and PT BLP. Social impact assessments are included as part of the complement of all environmental impact assessments. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and as verifiers. Secondary data or indirect data collection is carried out by means of literature studies through various references such as environmental assessment documents, HCV assessment documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local news and news. national and so on. All of these data sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts of plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

High Conservation Value Assessment (HCVA)

The certification unit has also conducted studies related to areas with high conservation value as evidenced by the 2013 HCV Study Results document conducted by Tropenbos International. The HCV assessment was carried out on 5 – 11 July 2012 for the scope of PT EHP and PT BLP as a whole, namely 1 Mill and 3 Estates covering an area of 8,750 Ha in accordance with the Location Permit. In the HCV document it is stated that the scope of the study is a HGU covering an area of 7,500 hectares but when a map verification is carried out, the scope of the study refers to the Location Permit, this was also confirmed by the company's GIS team which showed the scope area used in the HCV assessment was not based on HGU but rather a Location Permit. Based on the results of the HCV study, the HCV area was 355.15 Ha and the peat conservation area was 4,474.78 Ha.

This study explains the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Evidence of participation with affected parties is shown in the form of attendance at FGD meetings and photos during interviews. A public consultation was also conducted on July 10, 2012 which was attended by relevant stakeholders. The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines.

3.4.2

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

Environmental Impact Assessment (EIA)

Based on the results of the verification of the RKL-RPL document for Semester 2 of 2021, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. The certification unit has also evaluated every parameter of significant impact monitoring carried out as required in KepmenLH 45 of 2005, which includes evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on the results of the evaluation, it is known that there are several parameters that are not in accordance with the applicable Quality Standards, but the results of interviews, document analysis and observations there are no indications of environmental pollution in the area around the company, this is explained in each related indicator. The effectiveness of environmental management and monitoring can be seen from the results of the analysis and the compatibility between the management and monitoring plans and their implementation in the field. Several things can be concluded from the results of the review of the RKL-RPL document for Semester 2 of 2022, including:

- There is no test result value above the quality standard for the POME parameter applied to the land.
- There is no test result value above the quality standard for emission parameters, air quality and ambient.
- There is no significant decrease in peat water level.
- Increase socialization and supervision to avoid occupation of protected area areas.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels.
- Community Development activities for recruiting local communities as employees are considered effective enough to avoid social conflicts and control community unrest.

Based on the results of field observations in the EFB storage area, the WWTP area and the Water Intake area as well as the conservation area, there was no indication or potential for environmental pollution from the company's activities. The results of interviews with the community around the company also stated that they did not feel any environmental impacts related to the company's operational activities. The company has also carried out environmental management in accordance with the RKL-RPL by installing signboards for conservation areas, prohibiting land burning, planting local plants on canal borders and so on.

The unit of certification has also made an RKL-RPL report every semester which refers to the environmental management and monitoring matrix. Environmental management reports are carried out every 6 months and submitted to the relevant agencies, for example the RKL-RPL Report for Semester 2 of 2022 which is sent to the Environmental Agency of Kotawaringin Barat Regency with proof of receipt dated February 13, 2023 which is equipped with a stamp, signature and name of the recipient as well as proof of document delivery notes. Based on the results of interviews with the Environmental Service regarding reporting on the implementation of RKL-RPL, the certification unit routinely does this and up to the time the audit was conducted there were no complaints or conflicts related to the environment from NGOs or local communities around the company.

Social Impact Assessment (SIA)

The 2013 SIA study results document is used as a guide in the preparation of social impact management programs which are updated annually, for example, the 2023 Environmental Management and Monitoring Plan with Affected Parties. In the document there are several social programs, including the provision of regular social assistance to the community surrounding areas, improving the economy through collaboration with companies, opening job vacancies, and improving welfare through community empowerment programs. Program planning is carried out based on the results of the Focus Group Discussion on December 27, 2022 for the scope of internal stakeholders and on December 27, 2022 for externals including the village community around the company. The results of the potential and risk analysis with evidence of documentation and attendance are attached to the minutes. The program is a general plan that will be implemented by the company based on the analysis of stakeholder needs and stakeholder mapping related to the company, either directly or indirectly. Thus, the planned program is directed as far as possible to strengthen the company's relationship, communication and cooperation with all stakeholders.

The company also evaluates the Management Plan every year to monitor the progress of program management, for example, there are programs that need to be stopped, continued or added. The evaluation of the management plan refers to the 2022 Social Impact Management result document, the evaluation activity is also a reference in the preparation of the 2023 program. Based on the results of the 2022 Social Impact Management document verification, it can be concluded that all activities listed in the 2022 Social Impact Management Plan have been implemented. carried out. The document also includes social programs to avoid/mitigate negative social impacts, partnership programs for farmers, human rights, CSR programs, gender equality, education and public health. No new impacts have been identified by the company, so for the period of 2023, all programs that have been determined in the previous year are still continuing. However, regarding tenure issues that occur within the company's operational area, this has happened since the company was first opened and until now there has been no increase in the area of the occupation area. Basically, the occupation area is land owned by the community that does not want to be compensated and the company also does not try to own the land. This can be proven from the initiation of the release of the occupation area from the scope of certification.

Based on the results of consultations with the local village heads, it was also stated that the company was not trying to seize the occupied area and tended to give the area to the community. Assistance in making transportation access is also carried out to help the people who occupy the area so that there is never a social conflict between the company and the community. The results of interviews with management also stated that another form of assistance was carried out by establishing plasma plantations for surrounding villages.

The auditor also verifies the social issues on 2022 until 2023 social management reports such as examples of areas that have not been compensated, orangutan evacuation assistance that enters village areas, and issues of theft, all of these social issues have been discussed in the report implementation of social management and monitoring in 2023.

The management and monitoring plan gas develop with participation activities were carried out by conducting FGDs with the surrounding community which were carried out by each Estate in June 2021 in Gunung Muda Village, Silip Village, Gunung Pelawan Village, gender committee, local NGO (*Pemuda Pancasila*) and Mapur Village and the results of the FGD were summarized.

3.4.3

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

Environmental Impact Assessment (EIA)

The company involves the Environment Agency and the Ministry of Environment and Forestry to monitor the results of environmental management that has been carried out by the company in the form of presenting RKL-RPL reports and other environmental management documents sent every certain period which can be proven in indicator 1.1.2. The company also does not block access to all environmental agencies if they are going to carry out field verification to their management areas. It aims to obtain advice and advice in carrying out environmental management in accordance with the vision, mission and government programs so that they can run synergistically. This can be proven based on the results of interviews with the Kotawaringin Barat Regency Environmental Service who made field visits around December 2022 to carry out periodic monitoring. Monitoring and updating related to environmental impact management is also carried out in conjunction with an evaluation of HCV management which is described in more detail in indicator 7.12.4. However, in general, all recommendations from the evaluation of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Social Impact Assessment (SIA)

Based on the analysis of the Environmental Management and Monitoring Review Report with the Affected Parties in 2022, the social impacts in this assessment are divided into social impacts, economic impacts and environmental impacts. The social impact assessment is carried out based on the perceptions of community representatives at the assessment location who represent the community. the company has analyzed the positive and negative impacts arising from each activity specifically, for example physical assets for production activities that have positive and negative impacts on both external and internal levels, and so on as described in indicator 3.4.2. The company conducts annual evaluations to harmonize

data collection related to community perceptions regarding the SIA Management Plan and adjust it to the latest needs according to conditions in the field.

As of December 31, 2022, the company has reviewed the management of social impacts for the period 2022 and developed a social management plan for the period 2023, in which the process has been participatory by involving relevant stakeholders. In the review activity, the company applied the 7 principles of the RSPO regarding the development of plantations that are responsible for social and environmental aspects by referring to the Free, Prior, Informed and Consent (FPIC) Principles. The principle of FPIC which is the basis for the company in carrying out the process of developing oil palm plantations, among others, involves women's representatives, village heads, land owners around the company's area, independent smallholders, and all affected parties.

Based on the verification of documents related to EIA and SIA, the following information was obtained:

- The company has compiled the RKL-RPL document as regulated in the Ministry of Environment Decree No. 45 of 2005 concerning Guidelines for the Preparation of RKL-RPL, the document has discussed comprehensively and thoroughly regarding the management and monitoring that has been carried out, such as the example of discussing the results of tests for several periods, comparing previous test data, and attaching test results.
- The company has managed the SIA which can be proven in the 2022 SIA Realization Report and Management Review document, in the document it has also explained all the programs determined for 2023. The document has been explained comprehensively and thoroughly related to social issues identified and/ or carried out during the program period as explained in indicator 3.4.2.

The company has conducted review SIA in 2022 compiled based on the aspirations of the community through in-depth interviews and Focus Discussion Group dated 4 January 2023, with respondents Gunung Muda Village, Silip Village, Gunung Pelawan Village, worker union, employee cooperative, gender committee, local NGO and Mapur Village.

| | | |
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| | Status: Comply | |
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3.5

A system for managing human resources is in place.

3.5.1

The company has procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment that are documented and available to employees in accordance with laws and regulations, which are explained as follows:

- Recruitment, selection and acceptance procedures are listed in SOP-HC-006: Employee Recruitment, Version 2.0., effective on March 1st, 2021. These procedures regulate, among other things, planning and requesting employees, recruiting employees, accepting and placing employees.
- PT EHP Tbk Company Regulations for the period 2022 – 2024 which were ratified through a decree of the director general of development and industrial relations and social security for workers, No. KEP.4/HI.00.00/00.0000.220607022/B/X/2022, Concerning the ratification of PT. EHP Tbk on October 28th, 2022 and is valid until October 27th, 2024. The company regulations regulate Promotion (article 14), Retirement Guarantee and Retirement Age (article 22), Stop working at their own request and employees who are categorized as resigning (Article 36), Termination of employment (Article 36A), Workers based on a work agreement for a certain time (PKWT) and compensation money (Article 36B) and termination of employment due to a decision by the *LPPH* institution (Article 37).

The SOP complies with applicable regulations, including that all workers are not charged a recruitment, workers are included in the social assurance program, minimum wages and there is a wage structure and scale.

Based on the description above, it shows that the company already has procedures for recruitment, selection, employee acceptance, promotion, retirement and termination of employment, documented and available to workers in accordance with statutory regulations.

3.5.2

The company already has employment procedures such as recruitment, promotion, performance appraisal, and others. For example, there is a Work Agreement No. 001/EHPM-Pers-PKWT/II/2023 on 08 February 2023 as security, accepted

for work on 09 February 2023. Employees have completed the recruitment requirements such as employee identity documents (KTP), family cards (KK), job application letters, and documents other supporters.

In addition, there are leave documents (parents died) quoted by ARJE Division 3 employees on 14-16 January 2023 which were verified by sr. Ass HCCS and approved by Estate Manager. This is in accordance with SOP-HC-005 regarding Time Management which was approved by the CEO of PT. EHP on 27 February 2019, regulates attendance, absence (annual leave, right to rest, maternity leave and miscarriage leave), permission to leave work, and leave without responsibilities. In addition, there is a Decision Letter No. 064/064/HC-UM/BLP/II/2023 concerning monthly worker wages (*SKU-B*) for Kalimantan Tengah regional employees in 2023, related to adjustments to monthly *SKU* wages in 2023 and rice allowances. This is in accordance with the February 2023 payroll document in SMRE Division 1 which shows Foreman 1 gets a basic salary in accordance with the *UMK* and in accordance with the company's wage scale structure, fixed premium and rice allowance.

The company also shows *PKWTT* employee appointment documents as permanent employees, consisting of employee promotion proposal document no. 001/PR/EHP/X/2022 dated 01 October 2023 at the FFB grading station, which has been evaluated and considered regarding work discipline, achievement of 98% HKE, and collaboration with colleagues and other departments.

Based on the description above, it shows that the unit of certification has implemented work procedures properly and documented for each employee.

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

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

3.6.1
The company already has an OHS Policy listed in Company Regulations Chapter V Articles 29 and 30 and a Sustainability Policy issued by the Main Director on June 6 2018 which states that all workers must comply with all regulations related to OHS, to maintain a clean and sanitary work environment, to use and maintain work equipment and Personal Protective Equipment (PPE) provided and report any accidents that occur.

The company also shows SOP with No. SOP-OTH-F3-006 concerning Investigation of Incidents, Accidents and Occupational Diseases, Version 2.0 effective January 10, 2019. All operating activities are assessed for risk to identify OHS problems, which are briefly shown as follows:

- The latest "PT EHP Hazard Identification and OHS Risk Assessment – Mill" document in February 2023 which includes 26 activities at the EHP Mill such as activities in the sterilizer, boiler, press, etc.
- The latest "PT BLP Hazard Identification and OHS Risk Assessment" document in January 2023 which covers 32 activities at BLP Estates (ARJE, SMRE, BRME) such as harvesting, fertilizer, spraying, etc.

The results of the OHS hazard identification assessment have covered all operational activities in the company, for example from nursery activities to FFB delivery activities to mills. Identification of hazards and risks is prepared based on the results of observations of potential hazards that may occur when carrying out work. In addition, the management of the company explained that for work that is in contact with chemicals, work safety data sheets from these chemicals are one of the references for tackling occupational hazards and their prevention. Identification of hazards and risks is updated every year or if there is a fatal work incident. Evaluation is carried out to see the causes of fatality accidents and find the best prevention so that the incident does not recur in the future.

The company has also demonstrated the SOP-OTH-3-023 Version 1.1 procedure regarding personal protective equipment, which is effective from 7 February 2023. This procedure aims to ensure that all workers understand the importance of using PPE in work according to the type of work, this use is expected to be consistent, and well-documented distribution and arrangement of PPE.

The company has demonstrated PT BLP's OHS Committee annual work program for 2022 and 2023. Based on these documents, there are 8 main programs, namely OSH awareness/dissemination, capacity building and worker capabilities,

provision of work facilities and infrastructure (PPE provision), identification of hazards and risk control funds, Audit and inspection, health services, work accident emergency response and work accident evaluation and statistics consisting of LTA, FR and SR.

The results of the identification of work hazards and risks have also been socialized to all workers at PT BLP and PT EHP, for example the socialization which was held at Division 4 Arjuna Estate on 12 January 2023 was attended by 60 participants with the aim of giving participants an understanding of the meaning of OHS, providing information to participants regarding matters that pose hazards and risks when working and provide an understanding of the importance of implementing OHS.

Based on the results of interviews with workers, for example during the spray work in blocks J22-J23, it is known that workers already know and understand the documents related to hazard identification, risks and control plans, and are able to implement them in the field.

3.6.2

The company has monitored the effectiveness of the OSH plan to reduce OSH risks to humans. Monitoring is carried out periodically by holding OHS Committee Management meetings every month as well as OHS Committee reports submitted to the Office of Manpower and Transmigration in Kotawaringin Barat district.

The examples of routine OHS Committee meetings are:

- PT EHP's OHS Committee meeting for the March 2023 period which was held on March 2, 2023 with the discussion being a review of the results of the meeting for the February 2023 period as well as discussions related to the discovery of FFB loaders who did not use PPE while working.
- PT EHP's OHS Committee meeting for the March 2023 period which was held on March 2, 2023 with the discussion being a review of the results of the meeting for the February 2023 period as well as discussions related to the still relatively high LTA and the existence of workers who used protective FFB cutting tools that had been damaged.

Apart from the routine meetings above, it is known that the company also conducts routine monitoring which is reported regularly every 3 months to the Office of Manpower and Transmigration of East Kotawaringin Regency. The reporting is as follows:

- Reports and proof of reports PT EHP's OHS Committee report for the third quarter of 2022 PT EHP reported in October 2022.
- Reports and Evidence of PT EHP's OHS Committee Report for Quarter 4 of 2022 PT EHP reported in January 2023.
- Reports and proof of reports of OHS Committee Quarterly 2022 OHS Committee Reports of PT BLP which were reported on October 14, 2022. Evidence of receipt of these reports has been completed with the signature of the officer receiving the document and the stamp of the Central Kalimantan Province Manpower and Transmigration Office.
- Reports and proof of reports OHS Committee Report Quarter 4 of 2022 PT BLP which was reported on January 20, 2023. Proof of receipt of the report has been completed with the signature of the officer receiving the document and the stamp of the Central Kalimantan Province Manpower and Transmigration Service.

Based on the results of field visits and interviews with both Mill and estate workers, it is known that workers receive PPE according to the identification of hazards and risks according to the type of work. From the results of the field visit it was found that there were several employees who used PPE that had been damaged because they were waiting for the time to distribute new PPE. This is further explained in indicator 6.7.3.

| | | |
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| | Status: Comply | |
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3.7

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

3.7.1

The company already has a 2023 training program for all employees of PT. EHP and PT. BLP. The training program explains the type of training, the employees who will be involved in the training, the training time and the organizer or person in charge of providing the training material.

The training program, socialization and simulation at PT. BLP and PT. EHP for the 2023 period, namely:

- RSPO ISPO Awareness
- Dissemination of the company's vision and mission
- Dissemination of social and labor policies
- Outreach regarding the company's code of ethics
- OSH policy outreach
- Basic socialization of OSH and HIRADC
- Training on FFB harvesting procedures
- Socialization on gender equality, socialization on reproductive health, socialization on healthy and clean lifestyles, socialization on prevention of sexual harassment and domestic violence
- Socialization of fire prevention
- OSH Fire Expert Training
- Emergency response training
- Firefighter simulation
- Complaints of workers
- Company policies and procedures
- First aid training
- Plasma smallholder training and plantation implementation training in surrounding villages.

The company has conducted training for scheme smallholders and contractors including training on the implementation of sustainable plantations to the surrounding villages, namely Sungai Bedaun Village on March 6th, 2023 which was attended by 31 people related to plantation management, efforts to prevent and control fires. In the period 2023, the company also conducted outreach about the prohibition of child labor on January 14, 2023 which was attended by 9 people consisting of FFB transport contractors.

Based on the description above, it shows that the company already has a training program that covers aspects of the RSPO principles and criteria.

3.7.2

The company already has a record of the realization of the training program that will be held in 2022-2023. The training includes:

- OSH and HIRADC basic training on 11 February 2022 which was attended by 21 EHPM employees.
- Emergency response training by OSH General Expert on 12 March 2022 at Bromo Estate which was attended by 28 BRME employees.
- First aid training at BRME on 14 May 2022 attended by 38 employees delivered by sustainability staff.
- Gender committee training PT. BLP February 9-11 2023 at Division 1 - 4 Arjuna Estate was attended by 28 Division 1 employees, 24 Division 2 employees, and 30 Division 3 employees.
- Gender committee training PT. BLP February 2-4 2023 at Division 1 - 3 Bromo Estate was attended by 37 Division 1 employees, 25 Division 2 employees, and 28 Div 3 employees.
- Garda Pratama Basic Education Training PT. BLP and PT. The EHP was attended by 11 ARJE security guards, 3 SMRE security guards, 7 BRME security guards, and 7 EHPM security guards.
- Sustainable plantation implementation training to the surrounding village, namely Sungai Bedaun Village, on March 6, 2023 which was attended by 31 people regarding estate management, efforts to prevent and control fires.
- OSH training for employees of Division 4 Arjuna Estate which was held on January 12, 2023 attended by 60 employees which aims to provide participants with an understanding of the meaning of OSH, provide information to participants about things that pose hazards and risks when working and provide an understanding of the importance of implementing OSH.

The company has operators who have attended OHS operator training and the operator's license is still valid, including:

- 2 Class 1 Steam Aircraft Operators, valid until 18 December 2027
- 3 Class 2 Steam Aircraft Operators, valid until 18 December 2027
- 3 Class 1 Diesel Engine Operators, valid until 18 December 2027
- 1 Backhoe Loader Operator, valid until 28 July 2027

- 1 Compactor Roller Operator, valid until 28 July 2027
- 2 Excavator Operators, valid until 28 July 2027
- 1 Excavator Operator, valid until January 7, 2027
- 1 Operator Tractor, valid until 28 July 2027

Based on the description above, it shows that the Company already has a record of the realization of the employee training program that will be implemented in 2022-2023.

3.7.3

UoC showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, and related stakeholders. The training of SCCS had been conducted on 20 May 2022 for weighbridge operator, laboratory, and admin. Based on the interview with all workers involved in supply chain operations, such as security (for FFB receiving verification), weighbridge operator, and the PIC related to supply chain, they have been understood the supply chain mechanism, and the MB record has conducted and monitored quite well.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1; 3.8.2

PT EHP Mill was used RSPO supply chain of Mass Balance module because mill received certified dan uncertified FFB.

3.8.3

Estimates of CPO and PK produced by EHP Mill obtained from the projection based on actual data of 12 months before audit activities, here's the detail:

| | Last Year Projected Certified Volume (MT) | Actual production in last 12 months (MT) | Estimation for the next 12 months |
|-----------------------------|--|---|--------------------------------------|
| FFB Processed (Estate) | 120,920 | 126,903 | 131,800 |
| CPO Production | 26,713 | 26,161 | 27,700 |
| Palm Kernel (PK) Production | 5,110 | 4,799 | 5,300 |

3.8.4

The Mill have been registered in RSPO Palm Trace as PT Eagle High Plantations Tbk with License ID CB138979, and Member ID RSPO_PO100004234.

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform (License Period October 2022 to May 2023). Related to CSPK transaction, auditee informs that there's CSPK sold as physical as amount as 2,550 MT and there's CSPO sold as credit as amount as 6,100 MT.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example In 31 October to 2 November 2022, where there was a sale of 1,500 ton (202 times transport) of CSPK with details of recordings of weighing cards on that date to PT Smart Tbk and this was in accordance with the transactions made at RSPO Palmtrace. Where, the shipping announcement was made on 4 November 2022.

3.8.5

PT Eagle High Plantation Mill had procedure for SCCS with MB or IP model in document No. IKA-OTH-F3-22.01 dated 10 January 2023. The procedure has covered all elements of supply chain model requirements such as:

- Mill Manager is responsible for handling certified FFB at the mill and delivery of certified CSPO and CSPK.
- Stock Monitoring is balanced every 3 months.
- The company will remove if there is a cancellation of the shipment if there is an imbalance within 3 months, damage or loss of the product.

- Tracing at the FFB and core processing stages can be done with supporting documents such as SPB shipments, Certificate Numbers, to Mass Balance reports.
- Internal audit is conducted every 6 months by the Sustainability Department.
- Area Manager or Mill Controller will periodically assess third parties who handle certified product every year or when the contract is about to end.
- The Sustainability Department conducts training and/or refreshment on understanding the RSPO SCCS at least once a year or if there is a change in the SCCS system/SCCS standard issued by RSPO.
- The company conducts a management review based on the results of the internal audit once every 6 months.

The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

3.8.6

The Procedure to conduct annual internal audit are describe in document No. IKA-OTH-F3-22.01 dated 10 January 2023. The procedure aims to conducted Internal audit every 6 months by the Sustainability Department. Internal audit and corrective action report will become one of management review agenda.

Internal audit was held on 07 – 10 March 2023 for all business units (Estate and Mill) and there were four non-conformities related to supply chain indicators. One of the findings relates to the unavailability of records of certified product sales. The company took corrective action regarding this matter on March, 2023 with evidence of certified product record keeping.

3.8.7

Based on the results of the document review and field observations, the following evidence was obtained:

| Month | FFB (MT) | | |
|--------------|----------------|----------------|----------------|
| | RSPO Certified | Non-Certified | Total |
| Mar-22 | 7,825 | 3,434 | 11,258 |
| Apr-22 | 9,200 | 5,448 | 14,648 |
| May-22 | 10,533 | 9,684 | 20,217 |
| Jun-22 | 12,599 | 14,167 | 26,767 |
| Jul-22 | 12,679 | 11,163 | 23,842 |
| Aug-22 | 13,532 | 12,440 | 25,972 |
| Sep-22 | 12,926 | 10,559 | 23,485 |
| Oct-22 | 11,552 | 10,476 | 22,028 |
| Nov-22 | 10,887 | 11,151 | 22,039 |
| Dec-22 | 9,861 | 9,142 | 19,003 |
| Jan-23 | 8,610 | 12,027 | 20,637 |
| Feb-23 | 6,698 | 9,150 | 15,848 |
| Total | 126,903 | 118,841 | 245,743 |

Based on that 14-months record of FFB received on PT EHP POM, there's total certified FFB as amount as 140,526 ton.

Regarding the number of certified volumes, there is a comparison between the actual volume for the last 12 months and the certified volume on the palm trace platform. This is because the license period is not the same, namely 10 October 2022 to 9 May 2023. The following details the comparison:

| Product | Certified Volume (License Period) | Actual Certified Volume from March 2022 to February 2023 |
|-------------|-----------------------------------|--|
| CSPK | 5,110 | 5,530 |
| CSPO | 26,713 | 27,908 |

| | | |
|------------|---------|---------|
| FFB | 120,920 | 126,903 |
|------------|---------|---------|

Regarding the control of uncertified products, the mechanism is contained in document SCCS with MB or IP model in document No. IKA-OTH-F3-22.01 dated 10 January 2023.

3.8.8

The company shows documentation of certified products, such as sales contracts, shipping announcements, delivery orders, etc. These documents explain the name and contact person of the buyer and seller, date of delivery, product description, RSPO Certificate ID, quality, quantity, member ID, and others. The transaction also including RSPO certificate number, such as evidence of transaction record of CSPO in 24 February 2023 with information:

- Quantity : 7,250 kg
- Delivery Order : 005/PKS-EHP/MKT/II/2023
- Buyer : PT Smart, tbk
- Transporter : CV Berkah Sekumpul
- Ticket No. : No. H004663
- Police No.: KH 9642 GC
- Driver : Dhony
- Delivery Note : 7051/CPO/LK/23/02/4663

Based on document review and interview with management representative, the company sold CSPK and CSPO physically as certified product.

3.8.9, 3.8.10, 3.8.11

The physical handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK, except the transportation of product and storage tank at bulking are sourced to third party, which bonded by the agreement. Currently, there is 3 contractor for CPO and PK transport, for instance as shows through several Work Order Letter as follows:

- UD Anita Group (PK transporter), agreement No. 001/TRANS/EHP-SPK-AG/PK/II/2023 dated 2 January 2023 valid thru 31 December 2023.
- CV Berkah Sekumpul (CPO transporter), agreement No. 002/TRANS/EHP-SPK-AG/CPO/II/2023 dated 2 January 2023 valid thru 31 December 2023.
- CV Berkah Era Surya Tama (CPO transporter), agreement No. 001/TRANS/EHP-SPK-AG/CPO/II/2023 dated 2 January 2023 valid thru 31 December 2023.

The agreement also informs that the carrier is willing to be audited by a third party regarding SCCS and RSPO. This was also clarified from the results of interviews with representatives of UD Anita Group (PK Transporter) where he stated that he was ready to be audited by a third party regarding the RSPO.

3.8.12

Based on the results of a review of mass balance records for PK products (January 22 to Feb 23), it was found that there were negative stocks in the third month, with the following details:

| Period | PK Production (MT) | | PK Delivery (MT) | | | Stock |
|----------------------|--------------------|-------------|----------------------|--------------|--------------|-----------------|
| | Certified | Uncertified | Certified (Physical) | Other Scheme | Conventional | Certified |
| Stock Opening | | | | | | 987 |
| Jan-22 | 315 | 108 | 350 | - | 392 | 560 |
| Feb-22 | 260 | 98 | - | - | - | 820 |
| Mar-22 | 321 | 124 | 850 | - | - | 292 |
| | | | | | | Positive |
| Apr-22 | 410 | 212 | 100 | - | 315 | 286 |

| | | | | | | |
|--------|-------|-------|-------|---|-----|-----------------|
| May-22 | 466 | 377 | 425 | - | - | 327 |
| Jun-22 | 554 | 553 | 621 | - | - | 259 |
| | | | | | | Positive |
| Jul-22 | 536 | 416 | 654 | - | - | 142 |
| Aug-22 | 584 | 461 | 850 | - | - | (124) |
| Sep-22 | 523 | 365 | 450 | - | - | (51) |
| | | | | | | Negative |
| Oct-22 | 499 | 394 | 300 | - | - | 147 |
| Nov-22 | 477 | 425 | - | - | - | 625 |
| Dec-22 | 430 | 345 | 850 | - | - | 204 |
| | | | | | | Positive |
| Jan-23 | 415 | 425 | 500 | - | - | 119 |
| Feb-23 | 316 | 337 | 700 | - | - | (265) |
| Total | 6.106 | 4.641 | 6.650 | - | 708 | |

Based on this evidence, the company has not been able to ensure the balance of all receipts of RSPO certified FFB and shipments of RSPO certified PK every three months. **NCR No. 2022.04.**

3.8.13; 3.8.14 & 3.8.15

The mill has been defined the extraction rate dividing CPO or PK production by the total FFB process. Based on that explanation, extraction rate calculated by industry average. The implementation based on company procedures (Mill Operational SOP-MO-001, 8 March 2021). The sounding process for quantity product calculation done by Laboratorium Assistant.

3.8.16

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

- Member Name: PT Eagle High Plantations Tbk
- Membership No.: 1-0048-08-000-00 (PT Eagle High Plantation, tbk)
- Member ID: RSPO_PO1000004234
- License ID: CB138979

Whole transaction of CSPO/CSPK has been declared in RSPO IT Platform (License Period October 2022 to May 2023). Related to CSPK transaction, auditee informs that there's CSPK sold as physical as amount as 2,550 MT and there's CSPO sold as credit as amount as 6,100 MT.

From shipping announcement verification, known that shipping announcement carried out not more than 3 months after dispatch. For example In 31 October to 2 November 2022, where there was a sale of 1,500 ton (202 times transport) of CSPK with details of recordings of weighing cards on that date to to PT Smart Tbk and this was in accordance with the transactions made at RSPO Palmtrace. Where, the shipping announcement was made on 4 November 2022.

3.8.17

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

Based on management representative interview and document review, the mill does not use trademark on its sales activities and communication.

3.8.12 Status: Non-Conformance NC.2023.04 with major category

PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS
4.1
The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.
4.1.1

The company already has a policy to respect human rights, which is contained in the Sustainability Policy document, which was approved by the President Director, revised on June 11th, 2018. The policy, among others, explains that EHP respects human rights as stipulated in the UDHR and ILO Core Conventions, if promulgated in Indonesian law, including protecting human rights defenders and prohibiting retaliation against human rights defenders. In both policies it is stated that the company is committed to human rights for all workers, contractors, indigenous peoples, surrounding communities throughout the company's operations.

Based on interviews with harvester, spray employees, fertilizer employees and housing residents at BRME, ARJE, SRME and EHPM, it is known that they already know about sustainability policies, especially regarding human rights. In addition, this policy has also been socialized, for example on January 9-12 2023 at ARJE PT. BLP which was attended by 58 Employees of Division 1, 30 Employees of Division 2, 25 Employees of Division 3 and 60 Employees of Division 4. The socialization conveyed the prohibition of all forms of discrimination, prohibition of forced labor or child labor, respecting employees for association, recognizing and respecting human rights principles in accordance with applicable laws and regulations. Based on the interview, it is known that they already know the policy.

Based on the description above, it is known that the company already has a policy to respect human rights and socialize it to interested parties.

4.1.2

The company has no records regarding the use of force/mercenaries/paramilitary in resolving conflicts/problems between the unit of certification and related stakeholders (local community, workers, or others). The company already has a policy to respect human rights, which is contained in the Sustainability Policy document, which was approved by the President Director, revised on June 11, 2018.

Based on the results of interviews with the Labor Agency. Kotawaringin Barat, representatives of trade unions and representatives of the gender committee, it is known that the company does not use paramilitaries or mercenaries in the company's operational areas and there has never been a complaint of violence by the company. If there are problems, they will be resolved by way of deliberation without using violence. Solving conflicts/problems using this deliberation has been quite effective.

Based on the description above, it shows that the company does not initiate acts of violence or any form of intimidation in its operational activities.

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 company has procedures for handling complaints/ grievances and conflict resolution with document number SOP-OTH-F3-019 Version 1.0 on 10 January 2019. Complaints related to employment are complaints related to problems that arise in the process of work relations and deviations from the terms and conditions of employment working conditions and company regulations/policies that are accepted by employees, such as: benefit facilities, the relationship between superiors and subordinates/fellow co-workers, reward punishment, whistle blowers, ethics/deviant behavior, sexual harassment, and serious violations. The procedure explains that the response time is 30 days.

The mechanism for submitting worker complaints is also listed in the Company Regulations document Period 2022-2024, specifically in Article 38 concerning the Right to Organize & Settlement of Complaints. The article explains as follows:

1. The company supports the implementation of laws and regulations on human rights, including the right to associate which is guaranteed by law.

2. Complaints/dissatisfaction from employees regarding work relations, work conditions and labor conditions will be resolved by deliberation with their direct supervisor. If it cannot be resolved, it will be forwarded to a higher leadership.
3. If it cannot be resolved internally, then ask for assistance from the local manpower agency so that it can be resolved further.

Based on the description above, it shows that the company already has a system that is mutually agreed upon, open to all affected parties, able to resolve disputes in an effective, timely and appropriate manner.

4.2.2

Procedures are in place to ensure the system is understood by affected parties, including those who cannot read and write, which among others is shown in document SOP-OTH-F3-019 concerning Grievance Handling, version 1.0, dated 10 January 2019. The procedure explains that the submission process and receiving information verbally, directly or using certain communication media.

The company has socialized this procedure verbally, including socialization regarding the complaint mechanism on March 13, 2023 which was attended by 78 ARJE Division 3 employees.

Based on the description above, it shows that the company already has procedures in place to ensure the system is understood by affected parties.

4.2.3

The company shows the recapitulation of stage 1 employee severance payments under the category of severance pay due to prolonged illness of employees and retirement severance pay. During 2022 there are 12 employees who have completed their term of service at PT. BLP, but there are 3 employees whose severance payments have not been completed. The data is as follows:

| NO | NAME | TYPE OF PAYMENT | TOTAL | PAID | UNPAID |
|----|----------|-------------------|------------|------------|------------|
| 1 | Mujianto | Pension severance | 63,852,274 | 20,000,000 | 43,852,274 |
| 2 | Riyanto | Pension severance | 70,006,710 | 40,000,000 | 30,006,710 |
| 3 | Risyanto | Pension severance | 66,929,492 | 40,000,000 | 26,929,492 |

The company has entered into a collective agreement with the 3 employees above to complete the employment relationship and will pay severance pay by way of 3 stages of payment. The joint cooperation agreements are as follows:

- **Mujianto, Maintenance Employee**
There is a joint agreement that was carried out on September 23, 2022 between the Head of Central Kalimantan HCCS PT. BLP with Mujianto KTP no 3307071107640002 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first stage will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000, and stage 3 in December 2022 Rp. 23,852,274. However, until the audit is completed, there has been no realization of stage 2 and stage 3 payments
- **Riyanto, Loading and Unloading Employee**
There is a joint agreement that was carried out on September 23, 2022 between the Head of Central Kalimantan HCCS PT. BLP with Mujianto KTP no 6201012206630001 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first stage will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000, and stage 3 in December 2022 Rp. 30,006,710. However, until the audit is completed, there has been no realization of stage 3 payments
- **Risyanto, Maintenance Employee**
There is a joint agreement that was carried out on September 23, 2022 between the Head of Central Kalimantan HCCS PT. BLP with Mujianto KTP no 6201011708650001 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first phase will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000 (27 March 2023), and stage 3 in December 2022 Rp. 26,929,492.

However, until the audit is completed, there has been no realization of stage 3 payments.

Based on the results of an interview with one of the retired workers with the initial R, it is known that there is an agreement that pension fund payments will be paid in 3 stages, namely in October, November and December 2022, but until now the person concerned has not received payment of the pension fund from the company which should have been paid since

December 2022. The employee representative has reported this to the company but there is no clear time frame for completing the payment of the remaining severance pay.

The company does not yet have a measurable time plan for completing the remaining severance pay that has not been paid to employees **NCR 2023.06 with Minor Category.**

4.2.4

The company already has a conflict resolution mechanism that includes options for obtaining legal and technical assistance from independent parties, as described in the procedures for handling complaints and conflict resolution under document number SOP-OTH-F3-019 Version 1.0 on 10 January 2019. Complaints related to employment Complaints related to problems that arise in the process of working relations and deviations from work conditions and company regulations/policies that are accepted by employees, such as: benefits, superior relations with subordinates/co-workers, reward punishment, whistle-blowers, ethics/ deviant behavior, sexual harassment, and serious violations. The procedure also explains that if an agreement between the two parties is not reached by consensus, then the related party can report through the RSPO Complaints System.

The mechanism for submitting worker complaints is also listed in the Company Regulations document for the 2022-2024 Period, specifically in Article 38 concerning the Right to Association & Settlement of Complaints. The article explains, among other things, the following:

1. The company supports the implementation of laws and regulations on human rights, including the right to associate which is guaranteed by law.
2. Complaints from employees regarding work relations, working conditions and labor conditions will be resolved by deliberation with their direct supervisor. If it cannot be resolved, it will be forwarded to a higher leadership.
3. If it cannot be resolved internally, then ask for assistance from the local manpower agency so that it can be resolved further.

Based on the RSPO website in the complaint portal with the site address: <https://askrspo.force.com/Complaint/s/case/5000o00003Zaxh8AAB/detail> there is a complaint addressed to PT. EHP, Tbk regarding workers' rights, working conditions, and safety issues. After confirming with the Certification Unit representative, it was discovered that the complaint was addressed to 4 other EHP subsidiaries, namely PT. KJMS, PT. SBTP and PT. PLSS which are all located in South Kalimantan.

Based on the results of interviews with internal and external stakeholders, it is known that there were no conflicts involving legal assistance or other independent parties. Based on the description above, it shows that the company already has a conflict resolution mechanism including the option of obtaining legal and technical assistance from an independent party

4.2.3 Status: Non-Conformance NC.2023.06 with Minor category

4.3

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

Contributions to community development based on the results of consultations with local communities can be demonstrated by meetings between community representatives and the company in 2022 as the basis for CSR plans for 2022. Based on the results of interviews with representatives of Sungai Bedaun Village, the community acknowledged that the social program was in accordance with the results of discussions between the community and the company. Many program activities have been realized by the company in the 2022/2023 period, for example:

- Bedaun Village Road Improvements
- Assistance of 13 educators.
- Freshwater Fish Cultivation.
- Traditional Ritual "Tolak Bala."

One of the development contributions to the community is carried out by local purchases to shops around the company, cooperation with local contractors in plantation and factory management activities and the implementation of CSR activities which are arranged annually in the context of the welfare of the surrounding village communities.

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

PT Bumilanggeng Perdanatrada

The total area of entity HGU is 8,876.6 Ha, which consists of:

- HGU Certificate No. 13 with the name of the right holder, namely PT Bumilanggeng Perdanatrada with an area of 7,576.48 Ha on 25 March 2002. Valid till 25 March 2037.
- HGU Certificate No. 40 with the name of the right holder, namely PT Bumilanggeng Perdanatrada with an area of 1,300.12 Ha on 21 December 2004. Valid till 24 September 2039.

The company already has a Cultivation Plantation Business Permit covering an area of $\pm 8,900$ Ha consisting of Principle Approval for a Plantation Business covering an area of $\pm 7,500$ Ha and a Permanent Permit for Plantation Cultivation covering an area of $\pm 1,400$ Ha, with details as follows:

- Approval in Principle for Plantation Business issued on 23 August 1996 in accordance with the Letter of the Minister of Agriculture No. HK.350/E5.642/08.96 regarding Principle Approval of Oil Palm Plantation Business of PT Bumilanggeng Perdanatrada, Central Kalimantan Province with an area permit of 7,500 Ha.
- ITUBP: SK Regent of Kotawaringin Barat No. Ekbang/525.26//16/I/2004 covering an area of $\pm 1,400$ Ha.
- IUP: Decree of Kotawaringin Barat Regent No. 525/003/EK covering an area of $\pm 7,500$ Ha and a Factory Capacity of 60 tons/hour.

PT Eagle High Plantation

The total area of entity HGB is 64.52 Ha, which consists of:

- HGB Certificate No. 1 with an area of 64.52 Ha on 27 August 2002. Valid till 26 March 2032.

The entity PT EHP already has several Plantation Business Permit documents which are shown as follows:

- Plantation Business Permit for Processing (IUP-P) based on District Head of West Kotawaringin Decree No. 525.26/242/Ek/2009 on behalf of PT. BW Plantation with the location of S. Badaun Village, Kumai District, Regency. West Kotawaringin, Central Kalimantan Province. Type of processed CPO/Palm Oil/Palm Kernel with a Capacity of 45 Tons of FFB/Hour.
- Letter of Approval from West Kotawaringin Regent No. 525/002/Ek Concerning Additional Capacity of the Plantation Products Processing Industry of PT. Eagle High Plantation dated January 14 2016, from 45 tons of FFB/hour to 60 tons of FFB/hour.

Related to the scope of certification, there are areas that are currently occupied by the community. The company explained that the area of 41.58 ha had not previously been compensated for land. In addition, there is an area of ± 188 Ha which is included in the Convertible Production Forest (HPK) area based on the Decree of the Minister of Forestry Number: SK.529/Menhut-II/2012. For the area included in the said HPK, the company has submitted a letter *permohonan persetujuan pelepasan dan/atau penggunaan Kawasan Hutan untuk Kegiatan Usaha Perkebunan Kelapa Sawit yang telah terbangun di Kawasan Hutan atas nama PT Bumilanggeng Perdanatrada di Kabupaten Kotawaringin Barat* (No.: 010/ DIR/BLP/EKSTERN/X/2021, October 22 2021) to the Secretary General of the Ministry of Environment and Forestry. However, until the time the audit was carried out, there was no response information from the relevant agencies.

Based on this evidence, there is a reduction in the scope of certification to 8,711.54 Ha.

4.4.2

Based on latest assessment, no additions are made to the company's operations. Land acquisition was carried out in stages starting from 1998 to 2015. The company shows the recapitulation of the names of land owners who have been released for PT EHP and PT BLP.

Land compensation documents along with the negotiations have been well documented and stored in the Main Office (Jakarta). The documents stored are, documents related to the process of land compensation, proof of payment, documentation of activities, to a participatory map between the seller and the company.

4.4.3

The CH has had SOP related land identification and compensation on SOP *Ganti Rugi Lahan* (No. SOP-EHP-SC-001, dated 1 March 2015) which set land identification, calculation and compensation for land acquisition mechanism. In this procedure was explained that the process of land identification is involved the community and the village government. This procedure aims to ensure the management of land compensation and payment mechanisms according to company policy.

Based on document review, known that previous land acquisition did not diminish community's legal rights. Based on land acquisition documents, known that the documents made in Indonesia language, has include the maps, price agreement, evidence of payment, and signed by both party as well as Village Officials. The latest land compensation has been conducted before 2015. Based on management interviews, it is known that the CH has no plans to expand the land by legal compensation for community. Currently the company is still in the process of obtaining legality for the fostered cooperatives which are managed directly by the company.

4.4.4; 4.4.5; 4.4.6

Based on latest assessment, there was no increase in the company's operational area. The last land compensation process was carried out before 2015. During the release of land, in general, the owner of the land acts as a representative for himself. Regular reviews of the FPIC process are embodied in the SIA document which functions to highlight the social issues of the affected people including land issues. All records were made in Indonesian, clear proof of payment and signed by both parties between the company and the land seller (local community) without coercion. This was also confirmed from the results of interviews with the people of Sungai Bedaun Village, where currently there has been no recent land compensation with the company.

Status: Comply

4.5

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

4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.6; 4.5.7; 4.5.8

Until latest assessment was implemented there was no expansion of the area or new planting. This was evidenced by the results of public consultations with the community and the absence of additional *GRTT* records before 2015. The certification unit can show land compensation documents which include informing about news, measurement program, master map of the compensation area, certificate of ownership, statement of relinquishment of land rights, map of the area to be compensated, receipts for compensation payments. The documents for the compensation process have been signed by both parties and are known to local officials such as the village head, sub-district head and witnesses. Existing and well-documented agreements are one that the FPIC process has implemented.

Based on the results of interviews with representatives of surrounding Villages (Sungai Bedaun Village), there are no issues of dispute or other land issues with the company.

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

The certification unit shows SOP *Ganti Rugi Lahan* (No. SOP-EHP-SC-001, dated 1 March 2015). Procedures include explaining the land identification process, outreach to the community, physical inventory, to the compensation process. In summary, the initial determination of the land was carried out by the Social Capital Team and Plantation Management by conducting outreach to the villages that were included in the environment around the Plantation Location Permit, by involving all levels of society, with material introducing the aims and objectives of the company in the framework of developing oil palm plantations with a pattern partnerships and pay attention to the rights of the community by providing compensation or compassion with the amount according to the agreement. After the Company has received approval and

support from the Village Community, the SC Team conducts an inventory survey of land ownership and in terms of plant vegetation growing in it by involving community leaders or people appointed by the Village to show the boundaries of customary rights, Village potential rights, and individual ownership.

Completeness of compensation payment documents: receipts, documentation, identification cards (*KTP*), minutes of land over and compensation, certificates of land ownership, statement letters, detailed maps of land and attendance lists of land measurements.

4.6.3

Until the latest assessments were carried out there were no new GRTTs. The last land acquisition was carried out before 2015. The company has SOP *Ganti Rugi Lahan* (No. SOP-EHP-SC-001, dated 1 March 2015). The procedure is described how to calculate and distribute fair and gender-equal compensation in all activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right.

Based on the results of interviews with the Sungai Badaun Village communities, the community benefits in the form of plasma plantations that are shaded by the *KUD Badaun Maju Bersama Desa Sei Badaun Kecamatan Kumai Kabupaten Kotawaringin Barat* (Agreement No. 002/BLP-KUD/SPK/VI/2012, dated 18 July 2012), in which the community gets equal opportunities for the community to become members of the cooperative and obtain results that are beneficial to their welfare.

4.6.4

Until latest assessment was implemented there was no expansion of the area or new planting. This was evidenced by the results of public consultations with the community and the absence of additional *GRTT* records out before 2015. The certification unit can show land compensation documents which include informing about news. measurement program, master map of the compensation area, certificate of ownership, statement of relinquishment of land rights, map of the area to be compensated, receipts for compensation payments.

For example, the company shows several records of compensation for land that has been carried out, including:

- Land Acquisition in 2000 carried out by the Land Acquisition Monitoring and Control Team in Badaun Village, Kumai District covering an area of 726.74 Ha a/n Muhammad Husni et al accompanied by Minutes of Handover/Relinquishment of Rights over the land affected by PT's oil palm plantation site BLP which is located in Sei Badaun Village, Kumai District No. 621.580.42/TIM-PPPT/2000 dated 19 June 2000. The dossier was witnessed by related parties such as the District Land Office. Kobar, Regional Secretariat of Kab. Kobar, Head of the District Plantation Service. Kobar, Head of Kumai District and Head of Sei Badaun Village.
- Compensation for land and loss of Imas on behalf of Mr. Enor, a resident of Kumai Village, Kumai District, who owns 2 hectares of land within the HGU located in Block C51, accompanied by a Document of Statement of Land Ownership and Tumbang Imas along with a plan for the location of the land which is known to the Head of Sekonyer Village and Proof of Payment of Compensation for the Land of Tumbang Imas in the form of News Program for Payment of Land Compensation and Cash Voucher No. KK38/BD3/VII/07 dated 31 August 2007 valued at Rp. 2,000,000,-.

Based on the results of interviews with representatives of surrounding Villages (Sungai Badaun Village), there are no issues of dispute or other land issues with the company.

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| | Status: Comply | |
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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

The land compensation process was completed by the company in 2015. There is SOP *Ganti Rugi Lahan* (No. SOP-EHP-SC-001, dated 1 March 2015) explains that the SC Team conducts an inventory survey of land ownership and in terms of plant vegetation growing in it by involving community leaders or people appointed by the Village to show the boundaries of customary rights, Village potential rights, and individual ownership. Inventory results and a list of names of landowners

who are willing to be compensated, detailed data is made which contains data, namely a list of names, land location, type of vegetation, block number, price per hectare, amount of funds and detailed coordinates and map of land location/details topographical/Map of Concoction/Practical plots that will be compensated for or measurement results. With the results of the inventory the SC Team held a meeting/deliberation to determine the value of the amount of compensation/compensation for land and planting/planting (referring to the amount determined (budget) from Top Management) and made minutes of agreement on the price of compensation for land and planting grow as a whole or individually.

4.7.3

Based on the results of interviews with representatives of surrounding villages (Sungai Bedaun Village) the community benefits from the existence of the company, for example by the large number of villagers working for the company and also the development of plasma which of course increases the welfare of the community. They stated that prior to the existence of the company, the community's access to interact with other areas was only through rivers. After the company exists, the community can access the company's roads for daily activities.

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| | Status: Comply | |
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4.8

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

4.8.1; 4.8.2; 4.8.3; 4.8.4

The certification unit has SOP land conflict resolution procedure number SOP-EHP-SC-03 version 2.0, if the claim document was valid the company will be processed by P&L department by involving Area Manager & Head of Social Capita. The procedures include explaining the conflict information, conflict analysis, coordination of conflict handling, and preparation of reports on handling progress carried out periodically.

Based on field observation, document review and public consultation with relevant stakeholder (Sungai Bedaun Village), there's no issue related to land conflict.

Based on the results of the study of the area statement documents, there are several areas occupied by other parties, from the company's explanation for these occupied areas are areas that have not been compensated by the company and will be removed from the HGU certificate in the future. The auditor made observations in these areas, for example in Block I17/18 (Semeru Estate) and Block I/J 46 (Bromo Estate) and found that there were clear boundaries between the areas occupied and the areas managed by the company and there were no indications of damage or disturbance. From the results of interviews with representative's company management, it was also explained that there were indeed areas that had not been compensated by the company.

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| | Status: Comply | |
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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

Based on an interview with the Manager Mill, the pricing is an agreement between the management of supplier and the FFB supplier. Pricing is fluctuated in accordance with the development of FFB prices and CPO prices on the world market.

Based on the results of interviews with the FFB supplier, it is known that the company always communicates to him every day regarding changes in FFB prices. The company also informs the FFB on the notice board at the factory and communication via call, short message service and application like *whatsapp*, so that it can be seen by FFB suppliers.

The company shows evidence of FFB purchases from independent smallholders, for example on behalf of *Koperasi Kumai Hulu Seberang* for the period of Januari 2023. In the proof of payment of FFB to these farmers, the FFB price set is in accordance with the price determined by the Plantation Agency of Kalimantan Tengah Province attached in the FFB Price Determination document as a result of the Technical Working Group Meeting of the FFB Purchase Price for Palm Oil

Production from Partnered Smallholders in Kalimantan Barat Province for the period January 2023 (6 February 2023).

5.1.3

Based on the company's policy, the determination of the price of FFB purchased refers to the provisions contained in the Regulation of the Minister of Agriculture regarding the Guidelines for Determining the Purchase Price of Fresh Fruit Bunches for Palm Oil Production by Smallholders.

5.1.4 & 5.1.8

The company already has cooperation with the surrounding community in terms of developing community plasma, including:

- Cooperation Agreement between PT Bumilanggeng Perdanatrada and KUD Bedaun Maju Bersama No. 01/BLP-KUD/SPK/IV/2004 dated 24 April 2004 covering an area of 607 Ha registered at Notary Surya S.H. Pangkalan Bun was known by the Head of Farming Subdivision and the Head of Sub-Department of Cooperative Development, then in the Addendum on April 4 2008. The phase 1 agreement has been realized and has been completed (paid off).
- The text of the Cooperation Agreement on the Development and Management of Oil Palm Cultivation between the Bedaun Maju Bersama Cooperative and PT Bumilanggeng Perdanatrada Number: 61/KOP-BMB/XI/2015 dated 7 November 2015. The Head of the West Kotawaringin Regency Plantation Service (Ir. Kamaludin, M.Si) the agreement includes that the development of oil palm plasma plantations must be in legally controlled areas/land. All FFB produced by plasma must be sold in full to PT. BLP with specified quality requirements. The agreement is valid for 35 years or as long as the HGU is valid.
- Cooperation Agreement on the Development and Management of Oil Palm Cultivation No. 001/SPK-LKL/BLP/II/2017 between the Kumai Hulu Sebrang Cooperative and PT Bumilanggeng Perdanatrada on January 30 2017. The agreement has been recognized by the Department of Food Crops, Horticulture and Plantation district. West Kotawaringin. There are 399 members of the cooperative based on the list of prospective plasma participants.

5.1.5 & 5.1.6

Based on contract agreement verification described in indicators 5.1.4 and 5.1.8, known that the agreement is conducted fairly, transparently and based on both party agreement. Has been observed, the payment process has been carried out transparently and there has never been a grievance related to the payment. An example of payment verified by the auditor is invoice and proof of payment for period for period January 2023. Where the calculation of payment is in accordance with agreement. Furthermore, based on the statement of the smallholder members (*Koperasi Kumai Hulu Sebrang*), the company can demonstrate that the payment is in accordance with the agreed agreement.

5.1.7

The results of document verifications it was known that the certification unit has routinely calibrated the weighing equipment carried out by a third party. There are 2 weighing equipment at PT EHP Mill, along with calibration records:

- The certification unit has also shown documents on the weighbridge calibration (Serial Number 104350299) carried out in 2 March 2023 and valid until 2 March 2024 by Legal Industrial and Commerce Department Kotawaringin Barat Regency (No.510.3/155/DPPKUKM.3/SKHP).
- The certification unit has also shown documents on the weighbridge calibration (Serial Number 161756027) carried out in 3 March 2023 and valid until 3 March 2024 by Legal Industrial and Commerce Department Kotawaringin Barat Regency (No.510.3/154/DPPKUKM.3/SKHP).

The company performs calibrations aimed at improving the integrity of FFB weighing from third parties and also minimizing scale fraud.

5.1.9

The company has a complaint handling mechanism for farmers in the form of a procedure SOP-OTH-F3-019 about Grievance Version 1.0. Based on interviews with FFB suppliers (Cooperatives) as well as Sungai bedaun Village representatives, the parties have understood the mechanism for submitting complaints to the company.

Based on document review of complaint book, there is no complaint from contractor or vendors.

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| Status: Comply | |
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5.2

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

5.2.1 & 5.2.5

The company already has cooperation with the surrounding community in terms of developing community plasma, including:

- Cooperation Agreement between PT Bumilanggeng Perdanatrada and KUD Bedaun Maju Bersama No. 01/BLP-KUD/SPK/IV/2004 dated 24 April 2004 covering an area of 607 Ha registered at Notary Surya S.H. Pangkalan Bun was known by the Head of Farming Subdivision and the Head of Sub-Department of Cooperative Development, then in the Addendum on April 4 2008. The phase 1 agreement has been realized and has been completed (paid off).
- The text of the Cooperation Agreement on the Development and Management of Oil Palm Cultivation between the Bedaun Maju Bersama Cooperative and PT Bumilanggeng Perdanatrada Number: 61/KOP-BMB/XI/2015 dated 7 November 2015. The Head of the West Kotawaringin Regency Plantation Service (Ir. Kamaludin, M.Si) the agreement includes that the development of oil palm plasma plantations must be in legally controlled areas/land. All FFB produced by plasma must be sold in full to PT. BLP with specified quality requirements. The agreement is valid for 35 years or as long as the HGU is valid.
- Cooperation Agreement on the Development and Management of Oil Palm Cultivation No. 001/SPK-LKL/BLP/I/2017 between the Kumai Hulu Seberang Cooperative and PT Bumilanggeng Perdanatrada on January 30 2017. The agreement has been recognized by the Department of Food Crops, Horticulture and Plantation district. West Kotawaringin. There are 399 members of the cooperative based on the list of prospective plasma participants.

5.2.4

The company also carries out maintenance activities using pesticides in the form of herbicides as a form of support for the management of plasma farmers in these locations (KUD Bedaun Maju Bersama and Bedaun Maju Bersama Cooperative, as described in indicator 5.1.4), this can be seen from the review of documents recording activities for spraying systemic herbicides in the period January 2023.

5.2.3

In improving the welfare of the community, the company has provided participation in addition to the annual CSR program, the company has also established partnerships in carrying out tasks assigned to improve the welfare of the surrounding community with the help of programs in other fields, for example:

- Bedaun Village Road Improvements
- Assistance of 13 educators.
- Freshwater Fish Cultivation.
- Traditional Ritual "*Tolak Bala.*"

One of the development contributions to the community is carried out by local purchases to shops around the company, cooperation with local contractors in plantation and factory management activities.

Status: Comply

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1

Any form of discrimination is prohibited.

6.1.1.

The company's social and anti-discrimination policies are presented in the Sustainability Policy on 11 June 2018. Point 7.6 states that there is equality for employees in professionalism, recruitment and non-discriminatory guarantees based on race, skin color, gender, gender orientation, religion, political views, ethnic and social support.

The process of selecting, recruiting and promoting employees can be shown that the process has been based on the expertise, capacity, quality and medical assessment of prospective employees. For example, there is a record of the proposed Daily workers promotion with no. 001/PR/EHP/X/2022 on 01 October 2023 at the FFB grading station designated as Permanent workers. The appointment of this employee's status is not based on other things, but based on considerations of work discipline, competence, achievement of presence 98%, and the employee is considered to be able

to cooperate with colleagues and other departments

The company does not discriminate and treats all workers fairly, for example:

- Composition of workers consisting of various ethnic groups, religions, genders, and workers' origins.
- Recruitment of employees based on the results of selection, performance appraisal, ability and expertise of workers.
- Placement and training of workers is carried out according to their skills/type of work, such as prospective harvest employees are placed as harvest employees and receive harvest training.
- Women workers are given reproductive leave rights, wages and the same opportunities for promotion as male workers in the same type of work.

The results of interviews with harvest employees, spray employees, fertilizer employees, representatives of trade unions and representatives of the gender committee also obtained information that there was no indication of discrimination against religion, ethnicity, gender, and regional origin in the process of accepting a job.

Based on the explanation above, it can be concluded that the company has treated all workers fairly without discrimination based on gender, ethnicity, religion, health condition or other.

6.1.2

Based on the verification results of employee recruitment documents, it is known that employee recruitment is based on skills, abilities and records of medical examination results. The company has a non-discrimination and equal opportunity policy as indicated in the Sustainability Policy document dated 11 June 2018. PT EHP and PT BLP do not have migrant workers.

The company shows recruitment documents, including in the form of Agreement letters daily workers between PT. EHP with Amir Hadi Saputra No. 001/EHPM-Pers-PKWT/II/2023 on 08 February 2023, worked since 09 February 2022. There are application documents such as e-ID card, job application letter, graduation letter, curriculum vitae, identity photo, family card, etc. The employee was recruited as a daily workers EHPM security.

Based on the results of interviews with workers, trade union representatives and representatives of the gender committee, information was obtained that there were no issues related to discrimination. PT EHP and PT. BLP comes from local and migrant workers. Prospective employees are given the same opportunity to get a job and are not charged a recruitment fee during the recruitment process.

Based on the description above, there is evidence that workers are not discriminated against and that recruitment fees are not charged during the hiring process.

6.1.3

Based on document reviews and interviews with HCCS staff, it shows that the recruitment process for all employees is carried out through the same process where prospective workers must meet the requirements in the form of: application letter, photocopy of personal and family identity, medical check-up results and obtain a job acceptance letter.

There is an example of implementing an equal opportunity employment policy for all employees to ensure that employees are protected from discrimination at all stages of the employment relationship, such as the existence of a harvest employee promotion document, date in Division I ARJE to Permanent Workers on May 30th, 2022. Appointment of employees is based on the results of an assessment carried out regularly every month, with aspects assessed including discipline, quantity of work, cooperation, attitude, responsibility. In addition, the results of verification of the Employee List show that workers come from various ethnicities, religions, education and ages.

Based on the description above, it shows that selection, recruitment, employment, access to training, and promotions are carried out on the basis of employee skills and abilities.

6.1.4

Pregnancy tests for employees are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. This was clarified by the results of interviews with female spray workers at BRME, SMRE and ARJE as well as representatives of the gender

committee at PT BLP which stated that female workers are required to carry out monthly pregnancy tests at the clinic to ensure that no female workers who are pregnant/breastfeeding are exposed to the disease by chemicals.

In addition, based on the results of a review of employee recruitment documents, it was found that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers, but only to carry out physical health tests, administration and interviews.

Based on the description above, it shows that there is no pregnancy test which is a discriminatory measure.

6.1.5

The company has a gender committee structure contained in the minutes of the gender committee management restructuring, on 9 February 2021 with a total of 21 board members. The structure consists of a coach, chairman, secretary, ARJE coordinator, SMRE coordinator, BRME coordinator and members. The entire management of the gender committee consists of women workers. The company has the opportunity to add to the board a gender committee of male workers from representatives of all occupations that considers issues such as: training on women's rights, counseling for women involved in cases of violence and dealing with other issues of concern. **OFI**

The management of the gender committee routinely holds meetings and outreach regarding potential problems that may occur. For example, there is a gender committee training report from PT. BLP which was held on 2-4 February 2023 in Division 1-3 BRME which was attended by 37 employees of Division 1, 25 employees of Division 2, 28 people of Division 3. The purpose of this meeting is to convey information to all female employees at ARJE regarding sexual harassment and reproductive rights, gender equality, domestic violence, reproductive health, family planning, HIV/AIDS, healthy marriages and juvenile delinquency.

Report on the activities of the gender committee of PT. BLP for the 2022 period was made on January 3, 2023, made by the Gender Committee secretary, approved by the Chair and known by the Gender Committee Trustees. The obstacles faced by the gender committee are:

- The location is different from the estate and the distance is quite far so that it is difficult for the gender committee to coordinate and communicate with the members of the gender committee.
- The cost to make activities is not sufficient.

Suggestions that in the future the gender committee program can be improved and implemented according to the program. The work program of the gender committee in 2023 is socialization on sexual harassment and reproductive rights, meetings with management, socialization on gender equality, socialization on domestic violence, reproductive health, family planning, HIV, juvenile delinquency, healthy marriages, female potential, and juvenile delinquency.

Based on the description above, it shows that the company already has a gender committee which aims to raise awareness, identify and deal with issues of concern, as well as provide opportunities and improvements for women.

6.1.6

The company does not discriminate against workers' rights. The company has a non-discrimination and equal opportunity policy as indicated in the Sustainability Policy document on 11 June 2018. It states that the company ensures that all workers receive wages that are equal to or exceed the legally stipulated minimum wage. Workers get wages in accordance with the Regency Minimum Wage, Central Kalimantan 2023 according to Kalimantan Tengah Governor Decree No. 188.44/472/2022 which is Rp. 3,352,982, -

Payment of fair wages has been made by the unit of certification by considering ability, performance, expertise, years of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This was stated in the document Letter of Wage Scale and Employee Class which was ratified on January 2, 2023 by the Head of HCCS with a difference in the scale of wage increase between Rp. 500 to Rp. 7,000 according to the length of service and class, for example:

- *SKU-B* employee with ID number 10205010007 with basic salary 3,372,982, Natura 205,537, Harvest Premium 757,043, Non-Harvest Premium 687,069, Social Security 490,431, Total Wages 4,535,524.
- *SKU-H* employee with ID number 10200020003 with basic salary 3,359,982, Natura 122,850, Non-Harvest Premium

234,782, Social Security 488,541, Total Wages 3,168,193,-

- BHL employee with ID number 10200020003 with basic salary 3,359,982, HK 18, harvest premium 72,900, social security 196,223, total wage 2,473,271, -

Based on the description above, it shows that the company already has proof of payment of equal wages for the same scope of work.

Status: Comply

6.2

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

6.2.1

The company has documentation of wages, which is shown in the Governor of Kalimantan Tengah Decree No. 188.44/472/2022 concerning District Minimum Wages for 2023. Based on this document, it is known that the wage setting for Kotawaringin Barat Regency is Rp. IDR 3,352,982.

Based on the results of a review of PT BLP and PT EHP's 2023 Wage Structure Decree document, which was ratified on January 2nd, 2023 by the Head of HCCS, it is known that wages are determined based on class with each class being assigned a wage range.

Based on employee data documents, for example Employee Data for the period February 2023 at PT EHP, it is known that the employment status at EHP Mill consists of Daily Rated Workers and Permanent Workers. In ARJE, BRME and SRME consist of Daily Rated Workers and Permanent Workers.

The work requirements are in accordance with the labor regulations that apply to workers in the bahasa, including those listed in the Company Regulations of PT EHP and PT. BLP 2022 – 2024. The document has explained to workers in a language they understand, such as working time (article 7), wage system (article 9), overtime work and overtime pay (article 11), compensation for work accidents (article 17), death benefits (Article 18), holiday allowances (Article 19), Employment BPJS program (Article 20), Health care insurance (Article 21), Pension and retirement age benefits (Article 22), Benefits and other facilities and others.

Based on the description above, it shows that the company has documented records of wages and working conditions in accordance with applicable labor regulations.

6.2.2

The company already has a policy regarding recruitment in procedure no. SOP-HC-006 which was approved by the CEO of PT EHP on 11 April 2018. At point G3.1.2.6, the employee recruitment process is explained, including signing a work agreement which informs prospective employees who have successfully completed a health test to sign a work agreement according to the schedule set already determined. When the audit was carried out, the company had not been able to show proof of payroll for the employee with the initials TB who replaced his wife because he was pregnant so he was doing the work of giving confinement at L30 Division 2 Bromo Estate. The company showed a pregnancy certificate, resignation letter and statement letter with the initials BA that the woman concerned was pregnant and did not notify the company that her husband replaced her at work on March 28th, 2023.

Based on the results of site visits and interviews with workers, the following were found:

1. 1 Harvesters with initials SL Division 2 Semeru Estate claim to work for the company but have never been bound by a work agreement.
2. 1 Loose fruit pickers with the initials TB at L30 Division 2 Bromo Estate is not a company employee, but replaces his wife who is not working because she is pregnant.

Based on the description above, it shows that the Company does not yet have sufficient evidence that all employees have work agreements and related documents that regulate detailed wages and other work conditions. **NC 2023.06 with Major Category.**

6.2.3

The company has a wage policy, including the sustainability policy of PT. EHP which was approved by Director on June 11th, 2018, at point 7.5 that EHP will continue to actively engage its employees to ensure that their needs such as wages, housing and access to services are met and create a harmonious and prosperous work environment.

Based on field visits and interviews with generator operators, it is known that the premium given by the company is Rp. 600,000, - which is a replacement wage for working on Sundays. Job descriptions for generator operators and water operators include supervising and controlling the operation of generators, ensuring administration meets company operating standards, and ensuring cleanliness, tidiness, safety and work environment

Based on PP 35 concerning work agreements for a certain time, outsourcing, work time and rest time, and termination of employment, Article 31 relates to overtime pay. The auditor performs a generator operator overtime simulation simulation, as follows:

| Basic Wages | Hourly Wages | Working Hours | Overtime on Sunday | Number of Weeks in a Month | Total Overtime Value |
|---------------|--------------|---------------|--------------------|----------------------------|----------------------|
| Rp. 3,352,982 | Rp. 19,381 | 6,5 | 13 | 4 | Rp. 1007,833 |

Based on the description above, it shows that the Company has not been able to show evidence that payment of wages is in accordance with applicable legal provisions and regulations. **NC 2023.08 with Major Category.**

6.2.4

The company has provided welfare facilities for its residents in the form of housing, clinics, water supply, electricity, education, transportation, places of worship (mosques & churches), sports facilities and others. The results of field visits to the housing areas of BRME, ARJE SRME and EHPM revealed that workers were provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there was a daycare for children and a nursing room. The house is occupied by 1 family and specifically for unmarried workers, 1 house will be filled by 2-3 workers. In general, the facilities provided by the company are suitable for use by workers and their families.

Based on the description above, it shows that the Unit of Certification provides decent housing, sanitation facilities, water supply, medical needs, education and public facilities.

6.2.5

The unit of certification has made it easier for workers and their families to obtain food sources by providing an employee cooperative that sells workers' daily needs and providing access to vegetable traders to sell in workers' housing areas. Apart from that, there are also workers who open small business stalls to sell daily necessities in every housing complex. Based on interviews with workers (harvesters, sprayers, maintenance and factory operators), residents of housing, trade unions and gender committees, it is known that workers do not experience difficulties in obtaining food sources because the company has provided cooperatives that sell daily necessities and there are vegetable sellers who given access to sell at home.

Based on the description above, it shows that the Unit of Certification seeks to improve workers' access to proper, sufficient, and affordable food.

6.2.6

In Indonesia no living wage standard is established, so the certification unit still implements the national minimum wages for all workers. In addition to the payment of minimum wages, the certification unit has been conducting an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSPO Guidance for Implementing a Decent Living Wage. The certification unit has determined the assessment of prevailing wages and all kinds of benefits for DLW simulation in 2023 has been included in the calculation of main wages, worker status, housing facilities, education, electricity, water sources, healthcare and others. The results of these calculations are known that the standard of DLW currently given / simulated by the certification unit is above the stipulation of the minimum wage.

Based on the explanation above, it can be concluded that the unit of certification has a Decent Living Wage calculation based on the prevailing wage and in-kind benefits provided by the certification unit.

6.2.7

Based on document reviews and interviews with the Sustainability Manager, that in EHP and BLP there are 3 types of employee status namely *SKU-B*, *SKU-H* and *BHL*. For workers with *SKU-B* status, namely Foreman 1 in each Division, *SKU-H* is for Foremen and Employees who have passed the probationary period, especially for permanent jobs such as harvesting, and workers with *BHL* status are temporary workers, especially plant maintenance work and workers who have not completed the 3-month probationary period. The following is data on labor status in the unit of certification:

| | |
|-----------------------------|------------|
| Arjuna Estate | 680 |
| - Dailiy Rated Worker | 270 |
| - Permanent Worker Type 'B' | 31 |
| - Permanent Worker Type 'H' | 379 |
| Bromo Estate | 440 |
| - Dailiy Rated Worker | 161 |
| - Permanent Worker Type 'B' | 8 |
| - Permanent Worker Type 'H' | 271 |
| Semeru Estate | 444 |
| - Dailiy Rated Worker | 107 |
| - Permanent Worker Type 'B' | 10 |
| - Permanent Worker Type 'H' | 327 |
| Eagle High Mill | 128 |
| - Dailiy Rated Worker | 5 |
| - Permanent Worker Type 'B' | 60 |
| - Permanent Worker Type 'H' | 63 |

Based on the description above, it shows that workers are still employed for the main job.

| | | |
|--------------|---|--|
| 6.2.2 | Status: Nonconformity NC 2023.06 with Major Category (Recurring) | |
| 6.2.3 | Non Conformity NC 2027.07 with Major Category (Recurring) | |

6.3

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

6.3.1

The company has a published statement recognizing freedom of association and the right to collectively bargain in the national language, which among others is contained in the Sustainability Policy on 11 June 2018. In point 7.9 it is stated that Eagle High Plantation respects the rights of all employees to form and join trade unions according to their choice and to bargain collectively.

This statement was explained to all workers in a language they understood, which was shown in the Sustainability Policy Training, including respecting the right of employees to associate to employees of ARJE PT. BLP, on 9-12 January 2023. Evidence of the implementation of the policy, including evidence of registration of the Bipartite Cooperation Institution PT. BLP by the Head of the Office of Manpower and Transmigration of Kotawaringin Barat Regency No. 568/62/DTT/HIJSYAKER/VI/2022, on 3 June 2022.

Based on the description above, it shows that the company has made a published statement, which recognizes freedom of association and the right to collective bargaining in the national language. The statement is explained to all workers in a language they understand and can be proven to be implemented.

6.3.2

The company holds meetings with LKS Bipartite every 3 months or whenever there is a program that needs to be discussed immediately. The company shows recordings of meetings in the form of minutes of meetings between the certification unit and the workers' union or LKS Bipartite, including the following:

- PT BLP *LKS* Bipartite meeting minutes on December 15th, 2022. The meeting was held in the ARJE *KGM* (Office General Manager) meeting room and was attended by 9 *LKS* Bipartite management. The main points of discussion

at the meeting included the work program of the LKS Bipartite, UMK in 2023 and the discussion on the end of the Company PP.

- PT BLP LKS Bipartite meeting minutes on 15 February 2023. The meeting was held in the ARJE KGM (Office General Manager) meeting room and was attended by 8 LKS Bipartite management. The main points of discussion at the meeting were related to the socialization of PP PT. BLP, socialization of District minimum wage in 2023 and complaints about employee facilities.
- Minutes of bipartite industrial relations dispute resolution negotiations at PT. EHP which was attended by 6 representatives of labour union and the company on March 2nd, 2023 regarding the January 2023 overtime that has not been paid to employees and is planned to be paid in a rapel manner. The opinion of the unions in this case is that when the 2023 District minimum wage increases, the overtime pay should follow the latest District minimum wage. The company has also responded to this, including that the management will immediately make a decision and inform the union regarding the unpaid overtime bills.

Based on the description above, it shows that the company has held a meeting with the *LKS* Bipartite and proves it with the minutes of the meeting.

6.3.3

The company does not interfere in the selection or organization of trade union activities, this is evidenced by the results of interviews with representatives of workers and trade unions which state that in the process of selecting/making decisions and planning activities, members provide input/aspirations to their respective representatives to make selections/decisions.

- PT. BLP
The decision of the head of Labour Agency Kotawaringin Barat No. KEP.568/62/DTT/HIJSYAKER/VI/2022 concerning the Recording of *LKS* Bipartite PT. BLP on June 3 2022, with the composition of the *LKS* Bipartite management of PT. BLP, as follows:
 - Chairman: Representative of Entrepreneur
 - Deputy Chairman: Workers' Deputy
 - Secretary: Representative of Entrepreneurs
 - Members: 2 Representatives of Employers and 3 Representatives of Workers
- PT. EHP
Decision Letter No. 098/PC-FSPPP-SPSI/KTB/II/2018 concerning the Management of the Work Unit of the *SPSI* Agricultural and Plantation Workers Union PT. EHP Kotawaringin Barat District on February 6th, 2018, with a Chair, Deputy Chair, Secretary and Treasurer from the workers' representative element.

Based on the description above, it shows that management does not interfere with the formation or activities of registered organizations/workers' unions.

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

6.4

Children are not employed or exploited.

6.4.1

The company has a policy regarding child protection, which is included in the Sustainability Policy on 11 June 2018. In point 7.7 it is stated that forced labor or child labor will not be tolerated at any location owned by EHP.

In addition, in the PT EHP Company Regulations for the period 2022 – 2025:

- In article 5, that the Company strongly supports government programs and therefore strictly does not allow anyone to employ child labor outside the provisions of the applicable law. To ensure that no child labor is used, the Company determines the age of applicants or prospective employees of at least 18 (eighteen) years as evidenced by an E-KTP (Electronic Identity Card) or a Birth Certificate / Birth Identification Certificate and Family Card.
- Article 34, that it is prohibited to employ child labor for any reason by the Head of the Plantation, Head of Administration, Field Assistant, and Foreman or by anyone.

In addition, based on the results of field observations at BRME, SRME, SRJE, EHPM, FFB transport driver contractors

and empty fruit carriers, no child workers were found. This is also in accordance with the information provided by the Chairperson of the PT EHP and LKS Bipartite PT BLP Workers Union, as well as representatives from the Manpower Office in West Kotawaringin Regency that there is no issue of child labor in the company.

Based on the description above, it shows that companies can show formal policies regarding child protection, including the prohibition of child labor, and this policy is included in service contract documents and agreement documents with suppliers.

6.4.2

The company shows the employee list document of PT. BLP and PT. EHP for the period of February 2023 there are no children under the age of 18 who are employed. Policies related to the prohibition of child labor are discussed in indicator 6.4.1. Based on the document review of the youngest workers at PT. BLP is 18 years old (born on February 21st, 2005) and the youngest worker at PT. EHP is 19 years old (Born on November 30th, 2003).

Based on interviews with HCCS staff, it was explained that in the employee recruitment process an identity check (Personal identity or Birth Certificate) will be carried out to ensure that the age requirements of workers are met and not violated.

Based on the description above, it shows that companies can show evidence of fulfilling the minimum age requirements of workers in accordance with applicable regulations.

6.4.3

In accordance with indicator 6.4.1 regarding the policy that applies to the minimum age of workers and indicator 6.4.2 regarding the youngest age at PT. BLP and PT. EHP, it is known that there are no young workers and at the time the Audit was conducted there were no students doing field work practices for the needs of fulfilling the school curriculum.

Based on the description above, it shows that companies do not use young workers for their operational activities.

6.4.4

The company has conducted outreach regarding the prohibition of child labor both verbally and with warnings. For example, there is a socialization of sustainability policies, including those related to the prohibition of forced labor or the use of child labor, which was conveyed to ARJE employees of PT. BLP on 9-12 Jan 2023. During the socialization activity it was attended by 58 employees Division 1, 30 employees Division 2, 25 employees Division 3, and 60 employees Division 4. Apart from verbal socialization, the company also carried out visual socialization including by posting warnings prohibiting the employment of children under 18 years of age and prohibition of bringing children to the work area. These warnings were posted in all employee housing at ARJE, BRME, SRME and EHPM.

Based on the description above, it shows that the unit of certification can prove the delivery of a 'prohibition of child labour' policy.

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

6.5

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

6.5.1

The company has a policy on preventing sexual harassment and violence and other forms of which are listed in the Sustainability Policy on 11 June 2018. In point 7.8 it is stated that EHP will not accept any form of harassment, including sexual harassment or violence against its employees, namely making comments or taking actions that unwelcome (or should have known that such comments or actions would not be accepted) to the person addressed. In addition, it is also stated in the PT BLP and PT EHP Company Regulations for the period 2022 – 2024, in article 34, that the Company supports the strict implementation of all rules and laws governing sexual harassment and therefore every employee is prohibited from taking actions in any form. which leads to sexual harassment and/or other immoral acts within the Company This policy has been disseminated to all employees by the gender committee, including at ARJE PT. BLP on February 9-11 2023 in divisions 1 to 4 ARJE which was attended by 28 employees Division 1, 24 employees Division 2, and 30 employees Division 3. The purpose of this meeting was to convey information to all female employees at ARJE regarding

harassment sexual and reproductive rights, gender equality, domestic violence, reproductive health, family planning, HIV/AIDS, healthy marriage and juvenile delinquency.

In addition, there was a socialization conducted by the gender committee on 2 to 4 February 2023 in Division 1 to 3 BRME which was attended by 37 employees of Division 1, 25 employees of Division 2, and 28 employees of Division 3. The purpose of this meeting was also to convey information to all female employees at Arjuna regarding sexual harassment and reproductive rights, gender equality, domestic violence, reproductive health, family planning, HIV/AIDS, healthy marriages and juvenile delinquency.

Based on the results of interviews with the gender committee, it is known that so far there has never been an incident of sexual harassment against workers. This is also in accordance with the results of interviews with spray workers and fertilizer workers in the field.

Based on the description above, it shows that the unit of certification has disseminated the company's policy regarding the prevention of sexual harassment and violence and other forms and communicated it to all employees.

6.5.2

The company has a policy regarding sexual harassment and reproductive rights listed in the Company Regulations and Sustainability Policy on 11 June 2018. The document explains that to facilitate issues of sexual harassment and reproductive rights, the company has formed a Gender Committee. In addition to aspects of gender and reproduction, the gender committee also covers social, religious, health and child protection. The company has conducted outreach regarding this policy in each unit.

The company has also carried out socialization regarding reproductive rights, reproductive health, family planning, HIV/AIDS, and healthy marriages including socialization conducted by the gender committee on 2 to 4 February 2023 in Division 1 to 3 BRME which was attended by 37 employees of Division 1, 25 Employees Division 2, and 28 Employees Division 3.

Based on the description above, it shows that the company already has a company policy regarding the protection of reproductive rights, especially for women.

6.5.3

The company has conducted an assessment of the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in Indonesia. The company made a questionnaire form for the needs of new mothers PT. BLP 2023, including a questionnaire on January 28, 2023, containing general information (estate, name, age, husband's name, occupation), for women who are pregnant, for mothers who have just given birth, for breastfeeding mothers, and general questions such as "do you aware of the change of work for pregnant and lactating women not to have anything to do with chemicals?"

In addition, the Company has fulfilled the needs of new mothers, such as:

- For pregnant women. The company has provided refrigerators for storing breast milk, routine check-ups for pregnant women at the polyclinic, and socialization on pregnancy.
- For New Mothers. The company has provided midwives, Health Assurance registration so that new mothers can give birth outside the plantation if needed, maternity and maternity leave, issuance of birth certificates for deliveries carried out by polyclinic.
- Mothers are breastfeeding. The company through the gender committee conducts socialization on preparations for becoming a new mother, routine posyandu, ASI corner at the polyclinic, gives permission to leave work for a while to breastfeed, provides TPA and people in charge of looking after children (there are 2 shifts of 2 people each).

Based on interviews with the spray foreman and fertilizer foreman at BRME, ARJE, and SMRE, it is known that employees can be given permission if they are going to breastfeed their babies. However, based on field observations of BRME, ARJE, and SRME spray and fertilization workers, there were no workers who were still breastfeeding their children.

Based on the description above, it shows that the company has assessed the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in

Indonesia.

6.5.4

The company has a mechanism for submitting complaints and worker complaints in the Company Regulation Documents for the 2022-2024 period, specifically in Article 38 concerning the Right to Organize & Settlement of Complaints. The article explains as follows:

1. The company supports the implementation of laws and regulations on human rights, including the right to associate which is guaranteed by law.
2. Complaints/dissatisfaction from employees regarding work relations, work conditions and labor conditions will be resolved by deliberation with their direct supervisor. If it cannot be resolved, it will be forwarded to a higher leadership.
3. If it cannot be resolved internally, then ask for assistance from the local manpower agency so that it can be resolved further.

In addition, the company also has SOP-OTH-F3-019: Complaint Handling/Grievance Version 1.0 on 10 January 2019. Where the procedure explains that complaints related to employment are complaints related to problems that arise in the process of work relations and or irregularities on the terms of work as well as company regulations/policies that are accepted by employees, such as: benefit-facilities, superior-subordinate/co-worker relationships, reward punishment, whistle-blowers, ethics/deviant behavior, sexual harassment, and serious violations. Non-employment complaints related to facilities in the public interest. Community complaints are complaints related to community claims, or disruption to the surrounding community with company operations.

The results of document verification as well as interviews with the management unit revealed that the company has a complaint procedure and worker complaints. Handling employee complaints, including through the Whatshap Group Head of *Pondok* Environment PT. BLP and EHP Mill, including repairs to clean water pipes, the Friday garbage disposal routine, there is a Harvest Worker's house with the condition of the bathroom wall inside and out that is about to be broken and has been repaired on February 23rd, 2023.

Based on the description above, it shows that the company already has a complaint submission mechanism that guarantees the anonymity and protection of the complainant.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

Based on interviews with HCCS (Human Capital and Corporate Services) staff and the employee register document, it is known that there are no migrant workers. Company employees are employees with *SKU-B*, *SKU-H* and *BHL* status. Workers come voluntarily to apply for jobs that are available free of charge and without storage of identity documents, and the majority come from local communities around the plantations. Overtime is monitored by the company, and workers are given the freedom to choose to work overtime by making overtime orders if there is work that requires overtime. In addition there is no penalty for termination of employment if they wish to terminate the contract early.

Based on the information above, it shows that the company can prove that the workforce accepts work voluntarily and freely.

6.6.2

Based on interview with Sr. HCCS Assistant found that the status of employees at PT. EHP and BLP consist of *SKU-B*, *SKU-H* and *BHL*. Meanwhile, certain working hours are for work that is seasonal in nature and not core work, such as plant maintenance and maintenance of estate infrastructure. The company improves employee status through a probationary period and periodic evaluations. For example, there is a proposed promotion of *BHL* employees to *SKU-H* with document number 001/PR/EHP/X/2022 on behalf of YK on 01 October 2023 at the EFB Grading Station. In evaluating employees, the company considers several things, namely consideration of work discipline, achieving effective working day 98%, and being able to cooperate with colleagues or other departments. Proposed promotion of *BHL* employees to *SKU-H* for ARJE Division I harvesters on May 30, 2022.

Based on the document review and field observations, it is known that there are no migrant workers at PT. BLP and PT. EHP.

Based on the description above, it shows that there is an employment policy for temporary workers (*PKWT*) along with evidence of its implementation. In addition, there are no migrant workers employed at PT. BLP and PT. EHP.

Status: Comply

6.7

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

6.7.1

The company already has a person in charge of Occupational Safety and Health as stated in the following documents:

- Decree of the Head of the Central Kalimantan Province Manpower and Transmigration Office, Number: KEP.37/DISNAKERTRANS/III/2023 concerning Ratification of the Occupational Safety and Health Advisory Committee (P2K3) of PT Eagle High Plantations issued on March 6, 2023. Based on this document it is known the composition of PT EHP's P2K3 management is with the chairman of the STT (initials) and a secretary named DTW (initials). The OHS Committee Secretary has attended training on General OHS Expert Certification from the Ministry of Manpower of the Republic of Indonesia. The company shows the e-mail document for the extension of the General OHS Expert authorization card on behalf of the DTW (initials) to the Ministry of Manpower and Transmigration of the Republic of Indonesia in March 2023.
- Decree of the Head of the Central Kalimantan Province Manpower and Transmigration Office, number KEP.49/DISNAKERTRANS/III/2020 concerning Ratification of PT BLP's OHS Committee, March 17 2020, with the organizational structure including the chairman on behalf of MS (initials) and the secretary on behalf of KR (initials). The OHS Committee Secretary has attended training on General OHS Expert Certification from the Ministry of Manpower of the Republic of Indonesia. The company has also shown the Decree of the Minister of Manpower of the Republic of Indonesia number 5/6985/AS.02.04/VIII/2020 concerning the Appointment of General OHS Expert, dated 19 August 2020.

The company regularly holds internal meetings to discuss OSH implementation in the following operational areas:

- PT BLP's OHS Committee meeting on March 9 2023 with discussions including a review of the P2K3 meeting for the February 2023 period, the Lost Time Accident was quite high, and the protector for the egrek work tool which had been damaged. Based on the results of the meeting it was recommended to carry out OSH and SOP socialization to employees and replace protective work equipment (FFB Cutter).
- Minutes of PT EHP's OHS Committee meeting for the December 2022 period which was held on December 1, 2022 at the POM meeting room which was attended by 29 participants with the discussion agenda being road repairs to the loading ramp.

Based on the results of interviews with OHS experts it was explained that the OHS committee meetings also discussed OHS work plans such as OHS socialization to all workers, monitoring OHS facilities and infrastructure, and so on.

6.7.2

The certificate holder has available emergency response procedures in Indonesian, which are as follows:

- SOP-OTH-F3-006 concerning Investigation of Incidents, Accidents and Occupational Diseases Version 2.0 is effective from 10 January 2019.
- SOP-OTH-F3-01 concerning Prevention, Response and Recovery of Emergencies Version 2.0 is valid from 10 January 2019.
- SOP-OTH-F3-011 concerning Land and Building Fire Control Version 2.0 is effective from 10 January 2019.

The certificate holder has recorded work related accidents that have occurred at PT EHP and PT BLP and has been discussed at the monthly OHS Committee meeting and reported to the Manpower and Transmigration Office every three months. The report has listed LTA, FR and SR.

Based on the results of field visits and interviews with workers both at the Estate and Mill, for example during interviews

with boiler operators at EHP Mill and spray workers at block J22/J23 Bromo Estate, it is known that minor work accidents occur, workers will receive first aid from first aid officers who being in the field for example is the spray foreman. From the results of interviews with the spray foreman who is also the first-aid kit holder in the field, it is known that the officers have received internal training from the company doctor and from observations of the first-aid kit brought by the foreman it is known that the contents of the first-aid kit are in accordance with the list of items.

Based on field visits to the Estate and Mill, it was also found that the company has evacuation routes and gathering points when an emergency occurs. In addition, the company also informs the auditors of areas with high risk potential prior to the site visit.

6.7.3

The company has shown SOP-OTH-3-023 Version 1.1 regarding personal protective equipment which is effective from 7 February 2023. In section 2.1 regarding personal protective equipment several things are explained, including:

- The company will provide Personal Protective Equipment (PPE) for employees according to the type of work.
- Every employee must wear PPE properly and correctly.
- The Sustainability Assistant is responsible for distributing PPE to each employee.
- The company will distribute PPE through their respective Estates and Mills which will be assisted with recording by the Sustainability Assistant and coordinated with the Accounting. The company will determine the provision of PPE 1 (one) year, 6 (six) months, and 3 (three) months depending on the type of PPE.
- Workers are allowed to ask for PPE back before the distribution of PPE according to the time of distribution by showing the PPE that has been damaged, and an exchange is made.
- The company does not replace PPE lost by workers.
- Unit Manager must ensure that employees working in their work unit are using PPE.
- PPE must be used if exposure to a hazard in the workplace has an impact on humans, of course with HIRADC considerations in each work activity.
- Guests and contractors are also required to wear PPE according to the type of hazard.
- Every area or work that has a potential hazard must have a sign warning that it is mandatory to use PPE.
- PPE can be broadly categorized as follows:
 - Eye and face protective equipment;
 - head protection;
 - ear protection;
 - Respiratory protective equipment; And
 - Body protection equipment.
- The type of PPE provided to employees must be in accordance with the applicable PPE matrix table [see Appendix 1: PPE Matrix].
- The Sustainability Assistant is required to provide training on the use, maintenance and storage of PPE.
- The Sustainability Assistant will inspect the condition of PPE, and if PPE is found that is not suitable for use, it must be reported immediately to the Unit Manager.

The company has shown PPE handover documents for workers. The examples are:

1. Handover of PPE in the form of boots and helmets to 9 harvest workers in SMRE Division 1 on January 21, 2023
2. Handover of PPE in the form of boots, helmets and goggles to 5 harvest workers in Division 2 BRME on March 10, 2023.
3. Handover of PPE in the form of boots, glasses, cloth gloves, and helmets to 16 new employees in Division 1 ARJE on March 9, 2023.
4. Handover of PPE in the form of aprons, glasses, gloves and masks to 45 spray and fertilizer workers at BRME on January 19, 2023.
5. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 9 spray and fertilizer workers at SMRE on January 17, 2023.
6. Handover of PPE in the form of aprons, goggles, rubber gloves and masks to 26 spray workers at ARJE on January 19 2023 (division 1, division 3 and division 4).
7. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 29 fertilizer workers at ARJE on January 24, 2023.
8. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 19 fertilizer workers at ARJE on

March 8, 2023.

9. Minutes of giving PPE in the form of safety shoes to 99 workers at PT EHP PKS on March 22, 2023.
10. Minutes of giving PPE in the form of safety shoes to 50 workers at PT EHP PKS on 13 February 2023.

The results of field visits at PKS found that there were workers using PPE that was neither standard nor in damaged condition. The details are:

- 2 FFB sorters wearing boots
- 1 Loading Ramp operator using boots
- 2 boiler operators wearing broken safety shoes.
- 1 press operator using boots.

Based on interviews with workers, it is known that workers use PPE that is not standard because PPE is not yet available and waiting for the 2023 ration period.

The results of field visits and interviews with workers at ARJE, SMRE, BRME found that there were several workers who used PPE that they purchased themselves, namely:

- There are loose harvesting and quoting workers in block L30 BRME who wear boots they bought themselves
- There are harvest workers who do not use PPE in the form of helmets in block HE001 SMRE and there are harvest workers who use boots from harvesters who have returned.
- There are fertilizer workers in Block E6C-E6B ARJE who use ordinary PPE masks (not KN-95 masks)

Based on the results of a field visit at PT BLP there are 3 washhouses for workers dealing with chemicals in each Estate. From the results of the field visit it is known that:

1. There are 6 units of aprons and knapsacks and 3 units of gloves and goggles in the BRME rinse house
2. There are no leftover working tools in the ARJE rinse house
3. There are no remaining working tools in the SMRE rinse house

Based on the explanation above, it is known that the Company has not been able to show sufficient evidence that workers use appropriate Personal Protective Equipment (PPE), and are provided free of charge to all workers at the workplace, as protection in all operations that have potential hazards and in accordance with PPE procedures that are company owned.

Non-compliance NCR No. 2023.08.

Based on the results of a field visit to the chemical warehouses for both PT BLP and PT EHP, it was found that each chemical/pesticide had been completed with work safety data sheets and was available in Indonesian so it was easy to understand.

In addition, there is also a rinse house which functions as a place for workers to clean themselves and clean work tools after finishing work in each estate. The rinse house has a bathroom, a place to clean work tools, a place to store work tools and a locker as a place to store clean clothes that workers will use to return to their respective homes. From the results of the visit to the rinse house it was also known that the rinse house also had a tub for disposal of waste water from washing work tools to prevent contamination from the used water for washing the work tools.

6.7.4

The company has shown a document listing employees who have taken part in BPJS membership for the February 2023 period which is contained in the attachment to employment insurance payments. Based on these documents it is known that the number of employment insurance membership is:

- PT BLP : 1862 Participants (Number of employees 1938 people)
- EHP Mill : 123 participants (128 people)

Proof of payment is in accordance with the employment insurance payment attachment. Payments are made via bank transfer (BNi and Mandiri). However, the number of participants paid has not been in accordance with the number of employees owned.

The company has also shown proof of health insurance payment documents for PT BLP for the February 2023 period with a total membership payment of 1477 workers. However, the company has not been able to show proof of payment for

Health Insurance for PT EHP. The company has not been able to show enough proof that all employees have registered for Health Insurance membership. **Non-compliance NCR No. 2023.09.**

Based on the results of interviews with workers both at the Mill and Estate, it is known that if the worker is sick, the worker can seek treatment at the company clinic and is free of charge. From the results of the interview with them it is also known that if a minor work accident occurs, there are first aid kit workers in the field (each foreman who has received training) who provides first aid. If the accident conditions are severe enough, the foreman will bring the injured worker to the garden polyclinic to receive assistance and the worker is free of charge.

6.7.5

The company also appoints personnel in monitoring and evaluating OHS who position themselves as sustainability assistants as well as secretary of the OHS Committee who has attended general OHS expert training.

Work accident statistics have been documented in the Quarterly OHS Committee Work Program such as in the January-May 2022 period which has been reported to the Manpower and Transmigration Office which includes LTA, FR and SR, including the following:

- LTA : 66
- FR : 1.16
- SR : 15,21

There were several lost working hours during that period, due to employees experiencing work accidents such as sprains, thorns, etc. Employees who experience work accidents will be treated at the company polybund and monitored by company doctors or nurses until they can return to work.

6.7.3 Status: NonConformity NC 2023.08 with Major Category

6.7.4 Status: NonConformity NC 2023.09 with Minor Category

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

7.1

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

7.1.1

The company has procedures for monitoring and controlling pests and diseases as stated in the Agronomy Technical Guide no. Document: MAN-UOM-001 Chapter 7. Pests and Diseases. This SOP explains that pest control must be based on the concept of Integrated Pest Management (IPM). Pest control uses a holistic or comprehensive approach by combining ecological, biological, physical and chemical approaches. Chemical control as a last resort or when there is an uncontrolled pest population explosion. In applying the integrated pest concept, early detection is the most important basis. This SOP also explains that the critical threshold can be defined as the average population level of healthy larvae per frond, where control measures must be taken on populations above this average. Critical thresholds for controlling pests and diseases as follows:

- The critical threshold for leaf-eating caterpillars is 10 fronds/stems from the observed sample
- The critical threshold for rats is 5% of the observed sample
- The critical termite threshold is 4 trees/ha from the observed sample

Based on the results of a review of the results of a pest and disease census document at PT BLP for the 2022 period, it is known that there were no pest attacks such as rats, leaf caterpillars, or Oryctes that exceeded the control threshold.

Based on the results of interviews with management representatives who are responsible for observing and controlling pests and diseases, it is known that these personnel understand and are able to explain the plant pests observation and control procedures owned by the company and it is also explained that the company prioritizes early monitoring systems and information from workers. If from the results of early detection or information from employees there are signs of pest and disease attacks, a pest and disease census will be carried out.

7.1.2

Based on the results of a review of useful plant monitoring documents and interviews with company management, it is known that the company uses owls and, *Turnera subulata*, *Antigonon leptopus*, and *Cassio tora* plants as biological control agents. Based on the regulations in force in Indonesia, it is known that this species is not an invasive species.

7.1.3

The company shows the technical guideline for agronomy No. MAN-UOM-001 version 1 which took effect in January 2017 in chapter 7 concerning pests and diseases which explains the census mechanism, threshold values and ways to control pests and plant diseases. From the control in question, there was no control using fire, but using ecological, biological, physical and chemical approaches.

Based on the results of interviews with company management and interviews with workers in each estate, it is known that the company has never used fire (burning) to control pests and diseases.

Status: Comply

7.2

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

7.2.1

The company has shown SOP-OTH-F3-007: Hazardous Chemical Management. This procedure describes the ways and methods applied in plantations and mills to deal with the use of hazardous chemicals or hazardous pesticides, and reduce the risk of accidents and losses.

The company has procedures for monitoring and controlling pests and diseases as stated in the Agronomy Technical Guide no. Document: MAN-UOM-001 Chapter 7. Pests and Diseases. This SOP explains that pest control must be based on the concept of Integrated Pest Management (IPM). Pest control is carried out in 2 rotations using a holistic or comprehensive approach by combining ecological, biological, physical and chemical approaches. Critical thresholds for controlling pests and diseases as follows:

- The critical threshold for leaf-eating caterpillars is 10 fronds/stems from the observed sample
- The critical threshold for rats is 5% of the observed sample
- The critical termite threshold is 4 trees/ha from the observed sample

Based on the results of a review of the list of pesticides used by PT BLP during the 2022 and 2023 periods, it is known that there were 4 types of pesticides used by the company. The pesticides used are as follows:

| Trade name | Active Ingredients | Permit Number | Distribution permit period |
|------------|--------------------|--------------------|----------------------------|
| Kleen Up | Glifosat | RI. 0103011989819 | 12 December 2026 |
| Metafuron | Metil Metsufuron | RI. 01030120011579 | 21 December 2026 |
| Starane | Fluroksipir | RI. 0103011988854 | 30 August 2023 |
| Garlon | Triklopir | RI. 0103011984695 | 11 October 2023 |

As a result of field visits to the Arjuna Estate and Semeru Estate rinse houses, it was discovered that the company already has sanitation facilities equipped with rinse rooms, showers, drainage channels, storage areas for controllers and PPE. The results of a field visit to the chemical/pesticide storage warehouse, it is known that the chemical storage area has been equipped with K3 warnings, first aid kits and PPE and the types contained in the pesticide storage warehouse are also in accordance with the list of pesticides owned.

7.2.2

The company has shown documents on the implementation of pest and disease observations at PT Bumilanggeng Perdanatrada for the 2022 period. Based on these documents it is known that during the 2022 period there were no pest attacks that crossed the threshold and attacks were in the mild category.

The company has shown documents on the use of pesticides at PT BLP during the 2020 – 2022 period. The use of pesticides during this period is as follows:

| | Pesticide name | Unit | 2021 | 2022 |
|--------|----------------|-------|-------------------|-------------------|
| | | | Ratio (Ltr,Kg/Ha) | Ratio (Ltr,Kg/Ha) |
| PT BLP | Garlon | Liter | 0,13 | 0,11 |
| | Kleen Up | Liter | 0,33 | 0,37 |
| | Metafuron | Kg | 0,02 | 0,02 |
| | Starane | Liter | - | 0,15 |
| | Gramoxone | Liter | - | - |

Based on the data above, it is known that there has been an increase in the use of Kleen Up and Starane pesticides in 2022 compared to 2021 use. It was explained by the company's management that the increased use of Kleen Up was due to high rainfall resulting in an increase in doses to increase the effectiveness of control, while the use of Starane was due to In 2022, control of basting on wood children will be carried out which was not carried out in the previous year. From the data above it is also known that since 2021 until now there has been no use of pesticides with the active ingredient paraquat and pesticides for pest and disease control. This shows the effectiveness of biological pest control and management compliance with the memorandum on the prohibition of the use of paraquat active pesticides.

Based on interviews with spray workers, for example in block H39CA Division II Semeru Estate, it is known that the company no longer uses pesticides with the active ingredient paraquat for weed control.

7.2.3

The company has shown documents on the implementation of pest and disease observations at PT Bumilanggeng Perdanatrada for the 2022 period. Based on these documents it is known that during the 2022 period there were no pest attacks that crossed the threshold and attacks were in the mild category.

The company has also carried out biological control of pests and diseases by using natural enemies, for example the use of owls (*Tyto alba*) to control rats and the use of host plants such as *Antigonon* and *Turnera subulata*. Based on the results of field visits, for example in block J 22 Division III Bromo Estate it is known that there is an owl cage which is in good condition and active. Apart from that, it was also explained by the company representative that the company had built an owl breeding at Semeru Estate.

Based on the results of a review of the list of pesticides used by PT BLP during the 2022 and 2023 periods, it is known that there were 4 types of pesticides used by the company. The pesticides used are as follows:

| Trade name | Active Ingredients | Permit Number | Distribution permit period |
|------------|--------------------|--------------------|----------------------------|
| Kleen Up | Glifosat | RI. 0103011989819 | 12 December 2026 |
| Metafuron | Metil Metsufuron | RI. 01030120011579 | 21 December 2026 |
| Starane | Fluroksipir | RI. 0103011988854 | 30 August 2023 |
| Garlon | Triklopir | RI. 0103011984695 | 11 October 2023 |

The company has shown documents on the use of pesticides at PT BLP during the 2020 – 2022 period. The use of pesticides during this period is as follows:

| | Pesticide name | Unit | 2021 | 2022 |
|--------|----------------|-------|-------------------|-------------------|
| | | | Ratio (Ltr,Kg/Ha) | Ratio (Ltr,Kg/Ha) |
| PT BLP | Garlon | Liter | 0,13 | 0,11 |
| | Kleen Up | Liter | 0,33 | 0,37 |
| | Metafuron | Kg | 0,02 | 0,02 |
| | Starane | Liter | - | 0,15 |
| | Gramoxone | Liter | - | - |

Based on the data above, it is known that there has been an increase in the use of Kleen Up and Starane pesticides in 2022 compared to 2021 use. It was explained by the company's management that the increased use of Kleen Up was due to high rainfall resulting in an increase in doses to increase the effectiveness of control, while the use of Starane was due to In 2022, control of basting on wood children will be carried out which was not carried out in the previous year. From the data above it is also known that since 2021 until now there has been no use of pesticides with the active ingredient paraquat and pesticides for pest and disease control. This shows the effectiveness of biological pest control and management compliance with the memorandum on the prohibition of the use of paraquat active pesticides.

7.2.4

Based on field observations and document verification, it can be show that the company does not use pesticides prophylactically to control plant pests and diseases.

7.2.5

The company has shown an internal memo from the Head of Applied Research & Technical Services number: 5.023/ARTS-COO/RSPO/Herbicide/III/20 dated 9 March 2020 regarding herbicide to replace the active ingredient paraquat. Based on the pesticide use documents for the 2021-2023 period, it is known that since the issuance of the internal memo there has been no use of the active pesticide paraquat for weed control.

The company has shown documents on the use of pesticides used by the company during 2021-2022. The document explains the name of the pesticide, active ingredient, LD50, WHO class, registration number, date of distribution permit, and amount of pesticide used. Based on this document, it is known that the company did not use pesticides with the active ingredient paraquat in April 2020.

Based on the results of field visits to pesticide storage warehouses in each estate, it is known that there are no pesticides with active ingredients stored in these warehouses paraquat as an active ingredient for weed control.

7.2.6

The company shows procedures/policies related to pesticide mitigation contained in the agronomy technical guideline document Number MAN-UOM-001 version 1.0 effective date 12 January 2017 in chapter 8 explaining guidelines for the use of agricultural chemicals, the document has explained regarding the classification of pesticides, procedures use of pesticides, storage of pesticides, pesticide poisoning and its symptoms, first aid against pesticide poisoning.

Companies can show evidence that pesticide mitigation policies/procedures have been socialized to related workers, for example the one held on March 10 2023 at Arjuna Estate which was attended by 8 spray workers. Based on the results of interviews with spray workers in blocks F40 – F41 Division IV Arjuna Estate, it is known that these personnel can explain related to pesticide mitigation policies/procedures.

As a result of field visits to the Arjuna Estate and Semeru Estate rinse houses, it was discovered that the company already has sanitation facilities equipped with rinse rooms, showers, drainage channels, storage areas for controllers and PPE. The results of a field visit to the chemical/pesticide storage warehouse, it is known that the chemical storage area has been equipped with OHS warnings, first aid kits and PPE and the types contained in the pesticide storage warehouse are also in accordance with the list of pesticides owned.

7.2.7

The company has procedures for handling chemicals as stated in the Agronomy Technical Guide no Document: MAN-UOM-001 Chapter 8 concerning guidelines for the use of chemicals which describes the mechanism for storing, handling and mixing of chemicals as well as first aid for poisoning.

Also based on field visits to B3 rinse houses and warehouses, it was found that there were already product labels and MSDS in Indonesian for each chemical and the placement of chemicals had been arranged based on the trade name and type of chemical. Furthermore, the rinse house also has PPE and sanitation facilities for chemical applicators such as bathrooms, washing areas and clotheslines.

Based on interviews with workers, for example chemical warehouse officers, it can be concluded that workers understand the technicalities of chemical applications as well as the hazards and risks associated with chemicals. In addition, workers were found to have completely used the free PPE provided by the company, in accordance with the identification and understanding of the mechanism for replacing PPE if there is damage.

7.2.8

The company can show the identification document of waste resulting from operational activities contained in the document SOP-OTH-F3-004 version 2.0, effective date 10 January 2019. The SOP describes the pesticide storage mechanism that is carried out according to the recommendations provided in the MSDS, placement of materials chemicals that have dissimilar characteristics must be separated according to MSDS recommendations, preparation and release of chemicals is carried out first in first out, chemical containers must have labels, chemicals are only issued on request approved by the authorities and record storage and release well-documented agrochemicals (including pesticides). The company has also conducted socialization to employees regarding the prohibition on the use of hazardous waste packaging including used pesticide packaging on November 22-24, 2022.

The Used pesticide packages classified as Hazardous Waste were also found stored in a well-monitored Hazardous Waste storage warehouse which was then transported to licensed collectors such as, the last transported on 17 February 2023 from PT BLP is 100 kg with manifest number AZG-005359.

7.2.9

Based on the results of interviews with management and document review, it is known that there is no airborne pesticide application at PT BLP.

7.2.10

The company has a health check plan for all employees that informs the plan for carrying out regular and special health checks which are carried out at least once a year.

The last and periodic special medical examination will be carried out in 2023 in collaboration with the Kumala Clinic. The examination was carried out on 14 - 17 February 2023 (the number of participants with the examination parameters are:

- Cholinesterase attended by 53 Arjuna Estate employees, 48 Semeru Estate employees and 43 Bromo Estate employees
- Audiometry which was attended by 60 Arjuna Estate employees, 14 Semeru Estate employees and 6 Bromo Estate employees
- Spirometry attended by 55 Arjuna Estate employees, 48 Semeru Estate employees and 44 Bromo Estate employees

The company has also demonstrated the implementation of periodic health checks for each Estate, namely:

- Arjuna Estate's periodic medical check-up which was carried out on January 30 - February 1 2023 for 326 workers.
- Semeru Estate's periodic health checks were carried out on 2 - 4 February 2023 for 277 workers.
- Bromo Estate's periodic health checks which will be held on 6 - 7 February 2023 for 204 workers.

From the results of the examination, there were no employees who experienced health problems and were declared healthy for work.

Based on the explanation above, it is known that the business actor has carried out a medical examination and evaluation of the results of the medical examination.

7.2.11

The company has procedures for handling chemicals as stated in the Agronomy Technical Guide no. Document: MAN-UOM-001 Chapter 8 concerning guidelines for the use of chemicals which explains the prohibition for pregnant and lactating women to store, handle and mix chemicals.

Based on the results of interviews with workers, for example in the spray job at block J22-J23 Bromo Estate, it was explained that female workers who are pregnant or breastfeeding are not allowed to work in jobs that touch chemicals. Workers also explain that they are entitled to Menstrual Leave and maternity and maternity leave.

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 has identified waste resulting from operational activities contained in the Waste Type Identification document for Estate and Factory. The identification is grouped based on the activity that generates the waste, the name of the waste, the code of the waste, the type of solid or liquid, and its management. The determination and classification of waste codes uses the reference to Government Regulation number 101 of 2014. The company also has several procedures related to waste management and utilization which are listed in several documents, including:

- SOP for Waste Management and Monitoring Number SOP-OTH-F3-004 dated January 10, 2019.
- SOP for the Management of Hazardous Chemicals Number SOP-OTH-F3-007 dated January 10, 2019.
- SOP for Greenhouse Gas Mitigation Number SOP-OTH-F3-015 dated January 10, 2019.
- Work Instructions for Handling Used Pesticide Packaging.
- Work Instructions for Handling Hazardous and Toxic Waste (Solid and Liquid).
- Clinical Waste Handling Work Instructions.

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

Hazardous and Toxic Waste

In the management of hazardous and toxic waste, the company does not reuse it, but only temporarily stores it located at Bedaun Mill and Arjuna Estate. The company also has a licensed hazardous waste storage area, including:

- Hazardous and Toxic Waste Management Permit for PT EHP Bedaun Mill unit based on the Decree of the Kotawaringin Barat Regent Number 660/6/DLH.IV/TPS//IV/2016 dated 12 April 2016 which is valid for 5 years from the date of stipulation. The location of the Hazardous Waste Warehouse is in Bedaun mill. Regarding the progress expiration date, has been explained on indicator 2.1.1.
- Hazardous and Toxic Waste Management Permit for PT BLP based on the Decree of the Kotawaringin Barat Regent Number 660/538/DLH.3/IV/2020 dated 21 April 2020 which is valid for 5 years from the date of stipulation. The location of the Hazardous Waste Warehouse is in Arjuna Estate.

The waste stored in the temporary storage warehouse will then be transported by a licensed party once a year. The latest transportation is proven through the Manifest document and the official report of transportation which was carried out on February 17, 2023 by PT Semesta Langgeng Sentosa which is a licensed party. The company can show a cooperation agreement with the carrier, which is based on the document of the Cooperation Agreement Number 009/SPK/SLS-BP//I/2022 which was made on January 4, 2023 and is valid for one transportation. The company can also show the legality documents of the carrier, such as a valid transportation permit from the Ministry of Environment and Forestry, a valid permit for special goods transportation from the Ministry of Transportation, a valid Business Identification Number and a Cooperation Agreement between the carrier and the licensed processor and/or beneficiary.

Companies can also show documents for storing and handling Hazardous Waste in accordance with their SOPs and Government Regulation Number 101 of 2014. These documents include Manifest, balance sheet, and logbook. Based on the results of the document review by comparing the manifest, the balance sheet and the logbook, it can be seen that the data on waste transported on April 04, 2022 was in accordance with the data recorded in the balance sheet and logbook for the period before the transportation was carried out. Similarly, the comparison between the months after the transportation was carried out (4 April 2022) which started from empty. The company has also reported the results of hazardous waste management which is carried out every quarter with evidence of Reporting Documents of Hazardous Waste Management Reports of PT EHP and PT BLP for the period of Quarter IV 2022 which are reported to the relevant agencies as described in indicator 1.1.2. However, in terms of management, there are still discrepancies so that it becomes NC in indicator 7.3.2.

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 once 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.

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

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) for power generation in boilers, while 100% of empty fruit is used for fertilizer substitution. Data on solid waste utilization is explained in more detail in indicator 7.9.1. The company also utilizes POME by applying it to the Land Application and not dumping it into water bodies. The company also already fixed related flatbed management that become OFI in the previous audit for example, they can show the schedule related to maintenance of flatbed for 2 times a year. The last maintenance of flatbed dated 19 December 2022. 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 an interview with the Badaun Mill and Estate Hazardous Waste Warehouse Management Manager, it was found that they had an understanding of the handling of waste disposal, especially hazardous waste and domestic waste and its management as regulated in the company's procedures. The waste warehouse manager can also explain the technicalities related to waste management, such as the treatment of incoming and outgoing goods, recording and reporting, transportation period, handling in the event of a work accident and other actions regulated in company procedures. The results of the verification of the Hazardous Waste Logbook document also show that all incoming and outgoing waste has been properly documented and in accordance with its actual conditions. All hazardous waste generated in each division will be sent to the hazardous waste warehouse a maximum of 1 week from the date the waste was generated, previously stored in a special room that has been provided in each division office.

The results of interviews with workers who live in the emplacement area also stated that the waste management carried out by the company was very good and regular. Trash cans are provided properly, all waste disposal facilities have also been provided by the company such as organic and non-organic waste bins that will be replaced if damaged, hazardous waste warehouses and landfills. The resource persons also understand very well how to separate the types of waste they produce and what types of waste should not be reused. The respondent's understanding of waste management is the result of routine and consistent socialization and training as evidenced by the minutes that were held on November 22-24, 2022 to all staff and employees. However, based on the results of field observations, document reviews and interviews, the following information was obtained:

Hazardous Waste

Procedure 3.5.1.1 IKA-OTH-F3-04-01 Management and Monitoring of B3 Waste Management and monitoring of hazardous waste describes hazardous waste Used batteries, used oil, used oil filters, used pesticide packaging, used sacks contaminated with B3 and used oil stored in hazardous waste storage is then transported by licensed carriers from the government. In section 3.1 the management of hazardous contaminated packaging is explained:

- The unit manager coordinates with the assistant to arrange the handling of packages/goods contaminated with hazardous, such as spray equipment, aprons, pesticide packages and fertilizer sacks.
- The unit manager (estate/POM) assigns an employee as the person in charge of managing hazardous contaminated packaging/goods under the supervision of a designated assistant.

In section 3.4 Monitoring and reporting of hazardous waste it is explained:

- The sustainability assistant ensures that the collection of hazardous waste goes well by carrying out checks during maintenance of estate/POM equipment that produces hazardous waste, such as changing oil, batteries and lamps as well as medical waste at the polyclinic.
- Routine monitoring is carried out by a sustainability assistant at least once a week, by checking the condition of the workshop polyclinic, hazardous waste storage and all administrative documents for hazardous waste.
- If during monitoring it is found that there are spills or errors in handling and recording, the sustainability assistant informs the designated assistant in hazardous waste management to make improvements.
- Monitoring of waste reporting is going well.

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

- Used pesticide packaging, used oil packaging and hazardous contaminated packaging stored in the former BMRE traction warehouse.
- Used packaging of Gemaxone brand pesticides is dumped into the block I23 reservoir (Kubing spring) at SMRE.
- The used water purification chemical inner packaging (former soda ash packaging) is stored in EHP's POM chemical warehouse.
- The used inner fertilizer packaging is disposed on block FH 1 ARJE.
- The used inner fertilizer packaging is disposed on block H 38 A of SMRE.
- Results of interviews with workers in block E6C and E6D division 3 of ARJE obtained information that used inner fertilizers were placed on block.
- There are discarded rags in the scrap metal storage area.
- There are 3 used spray equipment in the SMRE fertilizer warehouse.

Based on the results of verification of the PPE handover documents for spray and fertilizer, the following information was obtained:

- January 19, 2023, 45 pcs of aprons and gloves were given each at BMRE.
- January 19, 2023, 10 pcs of aprons and gloves were given each in ARJE divisions 1 & 4.
- January 19, 2023, 13 pcs of aprons and rubber gloves were given each at ARJE division 3.
- March 8, 2023, 19 pcs of aprons and rubber gloves were given to ARJE for fertilizer activities.
- March 24 2023, 29 pcs of aprons and rubber gloves were given to ARJE for fertilizer activities.
- January 17 2023, 9 pcs of aprons and rubber gloves were given each at SMRE division 3.

However, based on the results of verification of hazardous waste management report documents starting from quarters 1 – 4 of 2022 and quarter 1 of 2023 in the hazardous waste storage log book document, information was obtained that there was no type of hazardous waste contaminated PPE from the exchange of hazardous contaminated PPE. Based on the results of interviews with management representatives, information was obtained that used contaminated PPE was disposed of in inorganic waste bins.

During the ASA-3 audit, the company showed evidence of improvement in corrective actions in the form of:

- The Sustainability Division conducts periodic supervision of the implementation of hazardous waste management through OHS inspection activities.
- The company will focus on managing hazardous waste because this has become a non-compliance. Can be further verified at the next audit.

During the ASA-4 audit, the company was able to show back the document proof of improvement, namely the weekly housekeeping inspection form, but it had not implicitly explained the monitoring of hazardous waste from the place of origin, how the results of monitoring and monitoring had not been carried out periodically, besides that for monitoring in the POM area as well not done. So that the corrective actions shown to the previous auditor and the results of this auditor's verification have not been realized optimally and comprehensively. So this indicator concludes to be **NCR number 2023.10 with category Minor raise to Major (Recurring)**.

7.3.3

Based on the results of field visits to the Bengkirai POM area, information can be obtained that it is known that there is no

open burning of waste for solid waste types such as EFB, hazardous waste, fiber and shell.

The company does not carry out open burning to destroy waste, this can be proven from field observations in residential areas and the Arjuna Estate and Bromo Estate Landfills, no traces of burnt waste were found. The results of field observations in employee housing areas also show many warnings to prohibit waste burning activities as well as the dangers that can arise from burning activities. Interviews with management also explained that the regulations regarding the prohibition of burning have been understood by all workers and strict action would be taken if they violated them.

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|--------------|--|
| 7.3.2 | Status: NonConformity NC 2023.10 with Minor raise to Major category (Recurring) |
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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 an SOP regarding fertilization which is included in the MAN-UOM Document 001ver.1 effective January 2019. The SOP explains, among other things, related to fertilization based on the results of soil and leaf analysis.

The factors considered in determining the dosage of fertilizer are:

- Soil (Type, physical and chemical properties of soil).
- Climate (precipitation, rainy days and distribution).
- Results of fertilization research.
- Plant age.
- Achieved plant productivity.
- Results of leaf and soil nutrient analysis. The period of leaf and soil analysis is carried out every year.
- Visual observation results in the field.

These procedures establish multiple strategies to maintain and increase long-term fertility, incorporating efficient and metered organic fertilization, taking into account the age of the oil palm and soil nutrients by taking leaf and soil samples.

Practices to increase and maintain soil fertility with inorganic fertilization, empty fruit bunches and POME applications. An example is the use of POME and EFB for the 2022 period, which are as follows:

- Empty Bunch : 50,089 tons
- Land Application : 163,944 M3

7.4.2

The company has procedure SOP-EHP-R&D-02 effective on March 3, 2013. The procedure states that leaf sampling. The procedure for taking soil and leaf samples is regulated in SOP-EHP-R&D-02 effective March 3, 2013. The procedure states that leaf sampling is carried out every year while soil samples are taken every five years.

The company has also presented a fertilizer recommendation document for 2023 which was compiled based on the analysis of soil samples and leaf samples. The test results are as follows:

- Soil Analysis Number 06/TANAH/LAB.RISET-KALTENG 1/XI/2018 dated 21 November 2018 issued by PT EHP's Laboratory Research Center for a total of 70 samples. The parameters analyzed included N, P, H2O, Moisture, C-organic, % C/N, H, Al and acidity.
- Leaf analysis results, for example the results of analysis No. 018/DAUN/LAB.RISET-KALTENG 1/X/2022 dated November 1 2023 issued by PT EHP's Laboratory Research Center for a total of 139 samples. The parameters analyzed include Moist, N, P, K, Mg, Ca, B, Cu and Zn.

7.4.3

The company has carried out a nutrient recycling strategy by utilizing palm oil processing waste such as EFB and POME. The utilization of POME and EFB during 2022 is:

- Empty Bunch : 50,089 tons
- Land Application : 163,944 M3

7.4.4

The company has shown documents on the implementation of fertilization activities at PT BLP for each estate. The implementation of fertilization at PT BLP is as follows:

| Fertilizer | | ARJE | SMRE | BRME | Total | % |
|----------------|------------------|-----------|---------|---------|-----------|--------|
| NPK | Plan (Kg) | 1.071.850 | 918.400 | 692.200 | 2.682.450 | 101,56 |
| | Realization (Kg) | 1.109.600 | 913.050 | 701.580 | 2.724.230 | |
| MOP | Plan (Kg) | 330.150 | 297.100 | 176.800 | 804.050 | 97,92 |
| | Realization (Kg) | 316.450 | 293.850 | 177.000 | 787.300 | |
| Urea | Plan (Kg) | 163.600 | 150.050 | 88.450 | 402.100 | 38,57 |
| | Realization (Kg) | 66.650 | - | 88.450 | 155.100 | |
| Kieserit | Plan (Kg) | - | 4.250 | 5.700 | 9.950 | - |
| | Realization (Kg) | - | - | - | - | |
| Rock Phosphate | Plan (Kg) | 221.750 | 198.450 | 125.100 | 545.300 | 52,77 |
| | Realization (Kg) | 122.350 | 41.300 | 124.100 | 287.750 | |
| Zincop | Plan (Kg) | 23.650 | 19.325 | 11.200 | 54.175 | 97,92 |
| | Realization (Kg) | 22.750 | 19.100 | 11.200 | 53.050 | |
| HGFB | Plan (Kg) | 16.550 | 14.500 | 8.350 | 39.400 | 97,84 |
| | Realization (Kg) | 15.850 | 14.350 | 8.350 | 38.550 | |
| Dolomite | Plan (Kg) | 295.400 | 254.600 | 155.950 | 705.950 | 68,86 |
| | Realization (Kg) | 164.800 | 169.450 | 151.900 | 486.150 | |

Based on the results of interviews with company management, it is known that the realization did not reach 100% due to the lack of availability (stock) of several types of fertilizers and relatively high rainfall conditions. To address this, the company has implemented organic fertilization by utilizing palm oil processing waste from the EHP Mill.

Status: Comply

7.5
Practices minimise and control erosion and degradation of soils.
7.5.1

The company has shown the land survey report and land suitability assessment report for PT Bumilanggeng Perdanatrada for 2023 made by PT Shakaro Indoraya Lestari which contains information related to a map of soil types with a scale of 1: 75,000 and a map of the slope class of PT Bumilanggeng Perdanatrada with a scale of 1: 75,000

Based on these documents it is known that there are several types of land in the area managed by PT Bumilanggeng Perdanatrada, namely:

- Histosol
- Ultisol
- Inceptisol

According to the report, the slope class of the land in the PT Bumilanggeng Perdanatrada area is 0 – 8% (flat, wavy). The land suitability classes are as follows:

- S2 (quite suitable): 3,830.968 ha.
- S3 (according to marginal) : 1,340.838 ha.
- N (not suitable): 4105.574 ha.

7.5.2

The company has demonstrated procedures related to the management and monitoring of conservation areas with the number SOP-OTH-F3-012 which has been in effect since January 10, 2019. The SOP describes the boundaries of conservation areas, namely:

1. The boundaries of the conservation area on the river border are determined as follows:
 - A river with a river width of 2 – 50 meters has a river border of 50 meters wide to the right – left of the river.
 - Rivers with a river width of more than 50 meters have a river border of 100 meters to the right and left of the river.
2. The boundary of the conservation area for the lake is set at 200 meters from the edge of the lake.

3. The boundaries of the conservation area for springs are set at 100 meters around the springs.
4. Land with a slope of > 40% (22.50) must be conserved and must not be cleared.

The company also shows records and maps of land clearing and arrangement, which are included in the document, including the operational map of PT Bumilenggang Perdanatrada with a scale of 1: 50,000 which contains information on block boundaries, housing locations, roads, rivers and emplacements.

Based on the results of the document review and interviews with management, it is known that the land clearing at PT Bumilenggang Perdanatrada was carried out by the previous company, before being acquired by the Eagle High Plantation Group. In the case of new land clearing, the area within these boundaries may not be cleared. If oil palm has been opened and planted with oil palm, it is not allowed to carry out chemical treatment (fertilizers and pesticides) in the area and rehabilitation is carried out during replanting.

Based on the results of a review of the areal statement documents and interviews with the management of PT Bumilenggang Perdanatrada, it was discovered that at the time the audit was taking place, the company was not carrying out any oil palm replanting activities.

7.5.3

The company has demonstrated procedures related to the management and monitoring of conservation areas with the number SOP-OTH-F3-012 which has been in effect since January 10, 2019. The SOP describes the boundaries of conservation areas, namely:

1. The boundaries of the conservation area on the river border are determined as follows:
 - A river with a river width of 2 – 50 meters has a river border of 50 meters wide to the right – left of the river.
 - Rivers with a river width of more than 50 meters have a river border of 100 meters to the right and left of the river.
2. The boundary of the conservation area for the lake is set at 200 meters from the edge of the lake.
3. The boundaries of the conservation area for springs are set at 100 meters around the springs.
4. Land with a slope of > 40% (22.50) must be conserved and must not be cleared.

Based on the results of the document review and interviews with management, it is known that the land clearing at PT Bumilenggang Perdanatrada was carried out by the previous company, before being acquired by the Eagle High Plantation Group. In the case of new land clearing, the area within these boundaries may not be cleared. If oil palm has been opened and planted with oil palm, it is not allowed to carry out chemical treatment (fertilizers and pesticides) in the area and rehabilitation is carried out during replanting.

Based on the results of a review of the areal statement documents and interviews with the management of PT Bumilenggang Perdanatrada, it was found that at the time the audit was taking place, the company was not carrying out new planting activities of oil palm.

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| | Status: Comply | |
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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

The company has shown the PT Bumilenggang Perdanatrada land survey report and land suitability assessment documents for 2023 made by PT Shakaro Indoraya Lestari.

Based on these documents it is known that there are several types of land in the area managed by PT Bumilenggang Perdanatrada, namely:

- Histosol
- Ultisol
- Inceptisol

According to the report, the slope class of the land in the PT Bumilenggang Perdanatrada area is 0 – 8% (flat, wavy). The

land suitability classes are as follows:

- S2 (quite suitable): 3,830.968 ha.
- S3 (according to marginal) : 1,340.838 ha
- N (not suitable): 4105.574 ha.

Based on a study of the area statement documents and interviews with management representatives of PT Bumilanggeng Perdanatrada, it is known that currently there are no new planting activities of oil palm either for replanting or new development.

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 planting year distribution document, it is known that the youngest palm age is 2014, after that there is no expansion area for the development of new planting.

7.7.2

The company has conducted an inventory of peatlands according to the RSPO peat inventory template and has submitted a report to the RSPO as evidenced by the email that Devaladevi Sivaceyon (devaladevi@rspo.org) sent to Melani (melani.tantr@rajawali.com) on 12 March 2020 with the email subject, namely the Peat Inventory of PT Bumilanggeng Perdanatrada RSPO, but based on the statement document of the area of PT BLP and the map of peat and mineral areas it is known that the area of peatland is 4,474.78 Ha, while in the summary of the report on the RSPO peat inventory of PT Eagle High Plantation Tbk which has been submitted to RSPO on 12 March 2020 revealed that the total reported area of peat was 3,202 Ha, with details of planting area of 3,050 Ha and peat rehabilitation area of 152 Ha.

The company then revised the peat inventory on July 23, 2021, which was sent to the RSPO secretariat and it was replied on July 27, 2021. From the results of this communication, it was concluded that the peat peat inventory area with the company statement area was the same, which was 4,474.78 Ha.

Based on a study of PT Bumilanggeng Perdanatrada's 2023 soil and land suitability survey documents, it is known that there is a peat area of 4,105.574 ha in the company's managed area.

The company has the opportunity to submit changes to PT Bumilanggeng Perdanatrada's Peat Inventory to the RSPO before 5 November 2023. (OFI)

7.7.3

The company has shown the SOP document for Land Management and Monitoring of Peatlands Number SOP-OTH-F3-014 Version 2.0 valid on 10 January 2019 which describes the measurement period and material for subsidence piles. The company has 6 subsidence stakes and 20 piezometer stakes as well as supporting facilities and infrastructure for planting in peat areas such as maps of water routes, main ditches, collection ditches and sluice gates to regulate the water level in peat areas.

For the number and placement of piezometer stakes, the company refers to Decree of the Directorate General of Pollution Control and Environmental Damage No. SK.93/PPKL/PKL.0/8/2019 concerning the determination of groundwater level compliance points and PT BLP rainfall monitoring station points. Based on the document of the director general's decree on pollution control and environmental damage, monitoring of the groundwater level is carried out at 20 compliance points.

The company has shown documents monitoring the rate of subsidence of the peat soil layer which is carried out periodically every 6 months. The company has shown the Peat Subsidence monitoring document for the period February 2014 – February 2023. Based on this document it is known that the rate of decline of peat during this period is:

| Subsidence Pole | Decline Rate (cm) |
|-----------------|-------------------|
| E32 | 36.6 |

| | |
|------|------|
| C8 | 42 |
| GC | 22.5 |
| J46 | 24 |
| K32 | 14 |
| H17B | 27 |

The company has also shown documents monitoring groundwater levels at PT BLP for the 2022 and 2023 periods. Based on these documents it is known that there are 20 piezometer units at PT BLP. Groundwater level monitoring is carried out on a weekly basis. An example is piezometer monitoring for the February period with an average ground water level of 35 – 60 cm.

Based on the results of a field visit to subsidence stake 03 in the GC Semeru Estate block, it is known that the decrease in peat subsidence shows a figure of 23 cm and the piezometer in block H35 shows that the groundwater level is 40 cm.

7.7.4

SOP for Land Management and Monitoring of Peatland No. SOP-OTH-F3-014 Version 2.0 came into effect on 10 January 2019 which describes the measurement period and material for subsidence piles. The company has 6 subsidence stakes and 20 piezometer stakes as well as supporting facilities and infrastructure for planting in peat areas such as maps of water routes, main ditches, collection ditches and sluice gates to regulate the water level in peat areas.

The company has also shown documents monitoring groundwater levels at PT BLP for the 2022 and 2023 periods. Based on these documents it is known that there are 20 piezometer units at PT BLP. Groundwater level monitoring is carried out on a weekly basis. An example is piezometer monitoring for the February period with an average ground water level of 35 – 60 cm.

Based on the results of a field visit to subsidence stake 03 in the GC Semeru Estate block, it is known that the decrease in peat subsidence shows a figure of 23 cm and the piezometer in block H35 shows that the groundwater level is 40 cm. The results of the field visit also showed that the company had managed the land cover in the peat area by maintaining the *Nephrolepis bisserata* fern population and selective spraying.

7.7.5

The company has shown the PT Bumilanggeng Perdanatrada Drainability Assessment Report document made by Shakaro Indoraya Lestari on March 15 2023. The PT Bumilanggeng Perdanatrada Drainability assessment uses Tier 1, this is because PT Bumilanggeng Perdanatrada does not yet have a measurement value relevant to the subsidence benchmark which has been already installed in the estate.

Based on the drainability assessment, it is known that based on the NRI results which have been calculated as a whole, the area that is not allowed to be replanted (NO GO) is 587.03 ha and the area that can be replanted (GO) is 3,256.25 ha.

The company has also submitted PT Bumilanggeng Perdanatrada's Drainability Assessment to the RSPO. The DA report was sent by gede.astawa@eaglehighplantations.com to Kasihputri@rspo.org on 28 March 2023.

7.7.6

The company shows SOP-OTH-F3-014. Version 2.1 dated 2 January 2020 concerning Water Management of Peat Areas effective 1 February 2014. The procedures include explaining the manufacture and installation of piezometers, construction of dams, and mechanical maintenance/washing of ditches.

The company has also shown documents monitoring groundwater levels at PT BLP for the 2022 and 2023 periods. Based on these documents it is known that there are 20 piezometer units at PT BLP. Groundwater level monitoring is carried out on a weekly basis. An example is piezometer monitoring for the February period with an average ground water level of 35 – 60 cm.

1. Number of Subsidence Benchmarks

The results of document verification and interviews with the company found that there were 6 subsidence stakes in the PT BP area. The results of the document verification found that the area of embedded peat in PT BLP was 4474.78 ha, so the ratio was 1 stake representing an area of 745.79 Ha.

Meanwhile in the RSPO Manual on BMPs For Existing Oil Palm Cultivation on Peat it is explained that "A subsidence pole should be installed at a minimum rate of at least one and preferably two (for control) in every 240 ha of an estate (in representative locations)."

Based on the explanation above, companies have the opportunity to improve peatland management performance by adjusting the number of subsidence stakes in accordance with the recommendations in the RSPO Manual on BMPs For Existing Oil Palm Cultivation on Peat.

2. Protection of Peat Measurement Monitoring Devices

Based on the results of field visits to sample estates, it is known that subsidence markers and piezometers are available as part of one of the management of peatlands. The results of the field visit also revealed that the subsidence stakes and the piezometer were not provided with a protective fence so that there was the potential for interference which would cause inaccurate measurement results or damage to the equipment. Related to this, the company has the opportunity to provide protection for peat measurement monitoring devices.

OFI

7.7.7

Based on the results of interviews and field visits to each estate, it is known that there is no reserved peat area in the area managed by PT Bumilanggeng Perdanatrada.

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|-----------------------|
| Status: Comply |
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7.8
Practices maintain the quality and availability of surface and ground water
7.8.1

Based on the 2016 RKL-RPL Addendum document, the results of the 2013 HCV identification, as well as river flow maps and water sources, it can be seen that there are no water sources in the operational area but only artificial canals. Based on the document, it is known that the water source management plan is to test the quality of surface water at the Upstream and Downstream canals every 6 months and drill wells every 1 year. All tests were carried out by a KAN accredited laboratory (LP-001-IDN). Related to this, the company shows the results of testing the quality of surface water for the period of semester 2 of 2022 which was carried out on October 9, 2022. The company carried out surface water testing with 34 indicators carried out at 5 sample points, namely the Bakung River, Kumai Hulu River, Kumai Hilir River, Roko River and Seluang River. Based on the test results data for the Semester 2 2022 period, there are all parameters still accordance with the quality standard, Government regulation RI Number.22 years 2021 appendix VI, Class II.

The results of interviews with workers stated that there were never any complaints about river water, they used the river only for transportation and not for consumption or daily needs. The results of interviews with the community around the company and related agencies also did not reveal any negative issues related to the condition of the river water. In addition, the company has also made efforts to control potential pollution through measuring the level of river water levels and providing embankments around the WWTP which can accommodate $\pm 150,000$ m³ of wastewater to anticipate damage to the WWTP embankment.

The unit of certification also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the residential area of Arjuna Estate 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 and rainwater storage facilities. Drinking water testing is also carried out by the company to see the quality of drinking water taken from drilled wells carried out by a KAN accredited laboratory (LP-001-IDN) on October 19, 2022. The results of testing the quality of drinking water also show that all parameters of the test results are still in accordance with the standards. The applicable quality is the Regulation of the Minister of Health Number 32 of 2017.

The company also has a procedure No. SOP-OTH-F3-012 concerning Management and Monitoring of Conservation Areas, which includes protection of river borders.

Based on the results of document verification and field observations to several sampling locations, it shows that the company has carried out activities in an effort to improve water quality, including:

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

7.8.2

The company has procedures related to identification, management and maintenance of water sources and quality which are listed in several procedures, including:

- Procedure Number SOP-OTH-F3-012 dated January 1, 2019 concerning Management and Monitoring of Conservation Areas which explains the boundaries of conservation areas on river borders with a river width of 2-5 meters having river borders as wide as 50 meters right – left of the river, conservation area boundaries for the lake set as wide as 200 meters from the lake shore, and others.
- Work Instruction Number IKA/30/BLP/2019 dated revision 01 dated June 1, 2021 regarding Protection of Water Sources and Quality. The SOP document contains guidelines for dam management, measurement of water levels in all types of canals, floodgate management, rainfall, and conservation.

The procedure also explains several things related to the management of river borders and other water sources, such as determining the width of river borders following Presidential Decree no. 32 of 1990. Related to OFI in previous audit, the unit certification already fixed it by putting the signboard in every riparian area, carried out border protection, carried out socialization to all parties involved in plantation operational activities to participate in carrying out water protection activities, making boundary markings, and monitoring water resources. The company also has topographic data in the form of maps with a scale of 1:75,000 covering the scope of certification. Based on the map, there are no rivers, lakes or springs within the company area. All water bodies within the company area are artificial canals with closed access. In addition, the company shows a topographic map showing that the slope level ranges from 0 – 8%. The results of document review and interviews as well as verification of the company's area through satellite imagery also show that all rivers have been identified and designated as HCV areas.

The company has also made efforts to manage water sources such as periodically monitoring the condition of river water from potential pollution and fires every month, testing surface water quality standards to ensure water quality is still within normal limits every semester, and marking the boundaries of chemical application areas with red coloration. In addition, the company also conducts socialization to employees and the surrounding community in conservation efforts which can be proven based on the minutes of socialization to workers on December 6, 2022 and to the community on January 9-11, 2023. Results of interviews with spraying and fertilizing workers in Arjuna and Bromo The estate also stated that they are aware of the rules regarding chemical application limits, prohibition of washing chemically contaminated items in water bodies and other activities that have a negative impact on water sources.

The company has procedures related to identification, management and maintenance of water sources and quality which are listed in several procedures, including:

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

- PT BPLP's HCV identification and management plan report in January 2013 in the recommendations section explains that the company needs to create a buffer zone area on the banks of rivers and springs. Based on this document, the determination of buffer zones is as follows:
 - Buffer zone reservoir with an area of 50 m
 - River border buffer zone with a width of less than 30 m and an area of 50 m
 - Buffer zone of 200 m springs

The document states that it does not apply chemicals and fertilization along the banks of rivers and springs. The report also explains the types of HCV identified, for areas with HCV functions, for example:

| |
|------------------|
| Kubing springs |
| F38 springs |
| RTBM springs |
| Bedaun riparian |
| Bakung riparian |
| Seluang riparian |

- Work Instruction No.IKA/30/BLP/2019 stipulated on June 1, 2021 Protection of water sources and quality explains that it is forbidden to poison fish, damage or dispose of domestic waste around river and reservoir border areas. It is prohibited to carry out activities related to chemicals (spraying and fertilizing on the banks of rivers and reservoirs).
- The company shows the PT BPL high conservation value (HCV) area management and monitoring report document for 2022 which describes several types of management and monitoring activities, as an example:
 - Monitoring HCV areas every 3 months during 2022.
 - Monitoring RTE every 6 months during 2022.
 - Outreach to employees and the community regarding HCV every 6 months during 2022.
 - Installation and maintenance of warning boards, prohibitions and/or notices, pamphlets about animals every 6 months during 2022.
 - Evaluation of management once a year.
 - Etc.

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

- The 2022 HCV management and monitoring implementation report explains that there is no threat or disturbance to the HCV area at PT BLP.
- The HCV Monitoring Document for ARJE, SMRE and BRME for 2022 HCV explains that a program for managing riverbanks and springs as well as maintenance of boundary signs and information boards for HCV areas has been realized.

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 buffer zone Bakung river block K32/L32 Bromo estate, information was obtained that one side of the buffer zone did not provide chemical application limits.
- HCV buffer zone Kubing spring block I23/22 Semeru estate obtained information that:
 - There are packages of used Gemaxone brand pesticides being dumped into the spring.
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning top soil for agricultural activities (horticultural cultivation) in the spring area.
- HCV buffer zone of Seluang river block F and FH 1 Arjuna estate, information was obtained that there was activity of spraying pesticides for TPH treatment and there was no limit sign of prohibition of chemical application.
- HCV buffer zone spring block F6 (Community Open Space, RTBM) Arjuna estate obtained information that:
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning weed residues for agricultural activities (horticultural cultivation) in the spring area.

The company has not been able to show evidence that the HCV management plan for water resources and erosion control has been implemented in accordance with the HCV Management plan and SOP they have. This indicator become **NCR Number 2023.11 with major category.**

7.8.3

The company has carried out periodic monitoring of the quality of mill effluent in accordance with applicable regulations. The results of testing the quality of wastewater for the period Januari 2022 – January 2023 where the pH and BOD parameters were still below the quality standard (KepmenLH No 29-year 2003, Quality Standards for POME).

The company has facilities for the management of POME produced from palm oil processing with a capacity of 60 tons FFB/hour using WWTP. POME that has been managed at WWTP is then applied to land located in the company area. Before being distributed to LA, all POME is fed into the WWTP with a multi-feeding system which is then processed to reduce pollutant elements so that it is suitable for disposal into water bodies. The waste treatment facilities owned are 5 ponds consisting of 1 Cooling Pond, 2 anaerobic ponds, 2 aerobic ponds as POME reservoirs where the outlet is in the monitoring pond originating from the aerobic pond.

The company also has a Waste Water Utilization Land Application for PT EHP based on the Decree of the Head of the Environmental Agency of Kotawaringin Barat Regency number 503/004/LH/DPMPSTSP.D dated March 13, 2020 which is valid for 5 years from the date of stipulation. There is an obligation in the permit document, namely to monitor the potential environmental impacts on a regular basis and ensure that the quality of the POME to be disposed of is in accordance with the applicable quality standards. The company can show the results of the recapitulation of the flow of POME to water bodies with a total of 170,181 m3 for the period 2022, or the equivalent of 470 m3/day.

Based on the results of a field visit to the POM drainage, it is known that the company already has a leachate reservoir which will then be pumped into the WWTP pond, thus the company has followed up OFI on the previous assessment.

7.8.4

The company already has a Surface Water Intake and Utilization Permit for PT EHP Bedaun Mill unit based on the Decree of the DPMPSTSP of Kotawaringin Barat Regency Number 503/0001/IPPAP/DPMPSTSP.D on 27 May 2019 and is valid for

3 years. In the document there is a provision for a quota of surface water intake of 25,000 m³/month. The water extraction location is located in the company's artificial reservoir. Regarding the validity period of the permit that has passed the time limit still on progress, explained indicator 2.2.1. This is because the company is still having problems due to changes in the permit management system that must pass technical approval.

The company recorded its actual water use. The average water uses per tons FFB for a period of January – December 2022 is 1.48 m³/ton FFB, while the budget for water consumption for the period 2022 is 1.60 m³/ton FFB. The company shows proof of tax payment for January - March 2022 which was paid in March 2023, while for April - December 2022 it is still waiting for the determination of the new tax due to changes in the value of surface water tax stipulated by the latest of Kalimantan Tengah Governor Regulation.

The results of field observations in the Water Treatment Plan (WTP) and Water Intake also show that the flowmeter used is still functioning properly. The results of interviews with officers responsible for WTP also show that operators are very understanding about how WTP work and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

| | |
|--------------|--|
| 7.8.2 | Status: NCR Number 2023.11 with major category. |
|--------------|--|

7.9

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

7.9.1

The plan to increase the efficiency of using fossil fuels and to optimize the use of renewable energy by companies is to use shells and fiber as boiler fuel which is used to generate turbines to generate electricity. The use of energy generated from the turbine is monitored every day.

The company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2022 EHP POM has produces 1,120,778 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 11.27 kwh / ton CPO. Result Direct fossil fuel used is 0.14 kWh/ ton CPO.

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| | 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

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

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

Fossil fuel reducing on EHP POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January 2022 until January 2023 shown that all of waste water testing parameters is compliant to the standards quality.

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

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

| Emissions per product | tCO ₂ e/tProduct |
|-----------------------|-----------------------------|
| CPO | 6.17 |
| PK | 6.17 |

| Production | t/yr |
|---------------|---------|
| FFB processed | 228,634 |
| CPO produced | 49,155 |
| PK produced | 9,254 |

| Extraction | % |
|------------|------|
| OER | 21.5 |
| KER | 4.05 |

| Land use | Ha |
|----------------------------------|-----------|
| Planted area on mineral | 4,659.83 |
| Planted on peat | 6,514.77 |
| Total area planted | 11,174.60 |
| Conservation Area (Forested) | 146.57 |
| Conservation Area (Non-Forested) | 0 |
| FFB Production per hectare | 20.46 |

Summary of field emission and Sinks

| Description | Own crop | | Group | | 3rd | Total |
|--|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|-------------------|
| Emissions Sources | tCO ₂ e | tCO ₂ e/ tFFB | tCO ₂ e | tCO ₂ e/ tFFB | tCO ₂ e | |
| Land conversion | 88,189.40 | 0.61 | 17,105.16 | 0.64 | 0 | 105,294.57 |
| CO ₂ emissions from fertilizer | 902.03 | 0.01 | 253.10 | 0.01 | 0 | 1,155.13 |
| NO ₂ emissions from peat | 36,307.13 | 0.25 | 12,460.87 | 0.47 | 0 | 48,768.00 |
| NO ₂ from Fertilizer | 864.04 | 0.01 | 313.68 | 0.01 | 0 | 1,177.71 |
| Fuel consumption | 1,315.43 | 0.01 | 20.36 | 0.00 | 0 | 1,335.80 |
| Peat oxidation | 185,046.67 | 1.28 | 87,710.72 | 3.30 | 0 | 27,2757.39 |
| Sinks | | | | | | |
| Crop sequestration | -76,439.20 | -0.53 | -21,021.76 | -0.79 | 0 | -97,460.96 |
| Sequestration in | | | | | 0 | |
| Conservation area | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 |
| Total | 236,185.51 | 1.64 | 96,842.13 | 3.65 | 0 | 333,027.64 |

Summary Oil Mill Emissions and Credits

| Remarks | tCO ₂ e | tCO ₂ e/t FFB |
|----------------------------|--------------------|--------------------------|
| Emissions sources | | |
| POME | 27,165.07 | 0.12 |
| Fuel consumption | 285.84 | 0.00 |
| Grid electricity | 0.00 | 0.00 |
| Credits | | |
| Export of grid electricity | 0 | 0 |
| Sales of PKS | 0 | 0 |
| Sales of EFB | 0 | 0 |
| Total | 27,450.91 | 0.12 |

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

7.10.2

The Certification Unit carried out new developments after 2014, so that companies are required to manage GHG by conducting an inventory of emission sources as recommended in the results of the NPP study. They can show identification documents of activities that generate emissions for the period 2022 for Mills and Plantations. This is done to estimate carbon stocks in the management area along with potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is drawn up and implemented.

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

7.10.3

For existing operation, the company has identified pollutions and emissions sources of EHP POM for period 2022, such as CO₂ (boiler, generator, transportation), CH₄ (POME), hazardous waste (WTP, chemical storage), noise (machinery). The sources of pollution and emissions for estate are listed on the identification documents and management plans for pollution sources for the period 2022, such as: emissions (CO₂, CO), noise, chemical waste, organic and inorganic waste and infectious waste. Plans to reduce or minimize has been implemented and monitored as explained on RKL-RPL semester 2-year 2022.

Fossil fuel reducing on EHP POM have been implemented by fiber/shell usage for boiler. POME has been monitored every months and monitoring periods January 2022 until January 2023, shown that all of POME testing parameters is compliant to the standards quality.

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| Status: Comply |
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7.11

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

7.11.1

The company has a policy that land for new planting or replanting is not prepared by burning. This policy is contained in the 2018 sustainability policy, which is in line with international commitments and in accordance with local laws and regulations in force in the jurisdictions where EHP operates, EHP is committed to prohibiting open burning of land. EHP employees and contractors working at all EHP locations are not allowed to open land burning. It is not permitted to burn land openly during land clearing and replanting activities as well as for the purpose of disposing of household waste or other purposes except controlled burning as stipulated in the RI law.

Based on field observations and interviews with supervisors, it is clear that operational activities at BLP do not use fire in their operational activities. Currently the company has not done any new planting. In addition, the company has no plans for replanting.

7.11.2

The company already has procedures related to fire prevention and control. Based on the document review, it is known that the company's fire control technique refers to the laws and regulations in force in Indonesia, including Law Number

18 of 2004, Law Number 32 of 2009, Minister of Environment and Forestry Regulation Number 32 of 2016 and Minister of Agriculture Number 5 of 2018. The company has a fire control work program for PT. The 2023 BLP was made by the Sustainability Assistant and approved by Kalimantan Tengah Area Control 1. The programs are fire patrols, fire simulations, fire service inspections, facilities and infrastructure repairs, fire outreach to employees, outreach to surrounding communities and posting warnings regarding the prohibition of burning. In addition, there is a hydrant fire control program and PT. EHP 2023, namely fire outreach to Mill employees, Mill fire simulation, inspection of hydrant infrastructure, APAR inspection, repair of hydrant equipment and installation of warnings regarding the prohibition of burning.

Companies can also show a list of facilities and infrastructure owned by referring to the standardization of equipment in Minister of Agriculture Regulation 05 of 2018. The results of field observations at the Fire Fighting Warehouse show that all facilities and infrastructure are in good condition and well maintained, firefighting simulation activities are also running well and the equipment used to function optimally. The company already has complete facilities and infrastructure as shown in the latest Fire Fighting Equipment List document for January 2023. Based on field observations that the company manages these facilities and infrastructure well, the results of interviews with several employees also state that the company has taken prevention and control efforts, fire through the installation of signboards, socialization, and fire simulation by the fire fighting team.

The company has monitored hotspots in ARJE, BRME and SMRE, for example monitoring of hotspots for the period January - March 2023 was carried out in all plantation blocks including on March 1st, 2023 in Blocks F51-A51 and A34/35. In addition, on March 5th, 2023 monitoring of hotspots was carried out in Blocks A35-A57 and F51 ARJE with the results of monitoring zero hotspots and hot weather.

The results of interviews with the Kotawaringin Barat Regency Plantation Agency also stated that the fire extinguisher equipment owned by the company was sufficient enough to control fires. The company has a fire control system described in the document Preparedness Report on Plantation Land Fire Control Systems, Facilities and Infrastructure for Semester 2 of 2022. Provision of infrastructure for fire prevention refers to Minister of Agriculture No. 05 of 2018.

7.11.3

Based on document review, management unit interviews and observation of fire extinguisher simulations, it can be seen that the company has human resources capable of preventing and dealing with fires. This is also supported by adequate equipment and routine activities in carrying out emergency response team simulations. Members of the Emergency Response Team are employees selected by the company and trained to participate in a simulation capable of handling emergency conditions, and mastering security roles and actions. The company has conducted emergency and fire simulations on March 12th, 2022.

The company also routinely conducts firefighting training with villages around the company's operational area. For example, there is training on the implementation of sustainable plantations to surrounding villages, namely Sungai Bedaun Village on March 6th, 2023 which was attended by 31 people related to plantation management, efforts to prevent and control fires. In addition, there are Garda Pratama Training at PT. BLP and PT. EHP attended by 11 ARJE security guards, 3 SMRE security guards, 7 BRME security guards, and 7 EHPM security guards.

In managing fires, the company monitors hotspots from the company area so that it can cover the surrounding villages. The company also routinely provides assistance and socialization regarding the prohibition of burning land to minimize the risk of a bigger fire.

Based on public consultation with the Plantation Agency of Kotawaringin Barat is known that for the past 3 years there have been no fire issues in the company's operational area. This is reinforced by the results of interviews with employees and supervision in the field.

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| | Status: Comply | |
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7.12

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

7.12.1

The company cleared the land in 2005 without prior HCV assessment so that remediation and compensation procedures apply, because the HCV assessment for the PT EHP and PT BLP areas was only carried out in 2012 (final document in 2013). In this regard, the company has conducted a LUCA study compiled by Rodziah Binsi Hashim. The results of the LUCA study are as follows:

- Total area of management unit is 9,128 ha.
- Total area of raw liability is 3,865 ha.
- The total area of conservation liability is 506 Ha.
- The company has obtained PASS status for the results of the LUCA study on July 25, 2016.

From the visual interpretation and analysis, it can be concluded that the liability analysis for PT Bumi Langgeng Perdanatrada was done according to the guidelines set by RSPO. Nonetheless, the calculation by the reviewer is higher as compared to the Company's calculation in terms of the total size area. Based on this review, the total area of raw liability for the Company is 3,865 ha with conservation liability of 506 ha.

7.12.2

Based on the verification of land clearing data, there is no indication of new land clearing after 15 November 2018, therefore the company has no obligation to conduct a High Carbon Stock (HCS) study. The HCV assessment for PT EHP and PT BLP was conducted in July 2012, with peer review conducted in October 2012 and the final document in January 2013. The HCV assessment was carried out by Tropenbos International, chaired by Kresno Dwi Santosa using the 2008 HCV toolkit. HCV is carried out for the scope of PT EHP and BLP which consists of 1 POM and 3 Estates with a total study area of 8,750 Ha according to the Location Permit. In the HCV document it is stated that the scope of the study is a HGU covering an area of 7,500 hectares but when a map verification is carried out, the scope of the study refers to the Location Permit, this was also confirmed by the company's GIS team which showed the scope area used in the HCV assessment was not based on HGU but rather a Location Permit. Based on the results of the HCV study, the HCV area was 355.15 Ha and the peat conservation area was 4,474.78 Ha. The following is data on the area of HV based on the results of the study, including:

| No | Location | Area (Ha) | HCV Type |
|----|---------------------------------------|-----------|-------------------------|
| 1 | Peat Land Area (Conservation non-HCV) | 4,474,78 | 4.1 |
| 2 | Albi Springs | 15,62 | 4.1 |
| 3 | Cub Springs | 14,42 | 4.1 |
| 4 | Musabeu Springs | 14,38 | 4.1 |
| 5 | Rogia Springs | 15,6 | 4.1 |
| 6 | Tanjung Lingga Springs | 15,94 | 4.1 |
| 7 | Spring at Block F38 | 23,75 | 4.1 |
| 8 | RTBM Springs | 13,66 | 4.1 |
| 9 | Tanjung Pengrain Springs | 13,93 | 4.1 |
| 10 | Roko river reservoir | 2,99 | 4.1 |
| 11 | Reservoir G38 A | 1,03 | 4.1 |
| 12 | Reservoir G38 B | 0,31 | 4.1 |
| 13 | Watering Reservoir A Block I33 | 1,37 | 4.1 |
| 14 | Watering Reservoir B Block I33 | 1,23 | 4.1 |
| 15 | Tanjung Pandan Reservoir | 1,28 | 4.1 |
| 16 | Reservoir F 36 A | 1,63 | 4.1 |
| 17 | Reservoir F 36 B | 1,3 | 4.1 |
| 18 | Bedaun River Border | 7,22 | 4.1 |
| 19 | Bakung River Border | 21,11 | 4.1 |
| 20 | Seluang River Border | 41,81 | 4.1 |
| 21 | Forest Area Block G38 | 4,23 | 1.1.,1.2.,1.3.,1.4.,2.3 |
| 22 | Forest Area Block J49 | 17,91 | 1.1.,1.3.,1.4.,2.3 |
| 23 | Forest Area Block D29 | 124,43 | 1.1.,1.3.,2.3 |
| 24 | Offerings area | 0,0025 | 6 |
| 25 | Pillar of Ulin (Sacred) | 0,0025 | 6 |

| | |
|--------------------------------|-----------------|
| TOTAL Conservation Area | 4.829,94 |
| HCV Only | 355,15 |

Regarding the peat area of 4,474.78 hectares which is a conservation area, currently the condition is already planted with oil palm, the management carried out is through water management to maintain the quality of the peat. For the Forested Area in block D29 covering an area of 124.43 Ha, the current condition is that it has become an oil palm plantation, and is no longer forested. However, this area is no longer managed as a plantation area, but is managed as an HCV area by allowing it to be forested again. The area is an area that has not been compensated so that its current status cannot be fully owned by the company even though it is in the company's HGU. For the 355.15 Ha HCV area, 208.58 Ha of them are in the form of Oil Palm Plantation areas which have been identified as HCV areas but there are still plantation management activities in the form of harvesting and manual maintenance. Thus, in the Basic Info data, only 146.57 Ha were identified as HCV areas, with the actual conditions at the time of the audit being in the form of forested areas or abandoned oil palm plantations. The area of 207.58 Ha will be removed from the production area during replanting activities and the area will be left as a forest area.

Based on the results of field observations, there are several HCV areas that have changed from the initial conditions that were designated as HCV areas, for example, forested areas bordering springs that have now become food bank, river borders that have changed contours due to ditch-making activities, and forested areas bordering eyes, water that has become a planted area for oil palm. This happened before the company did the certification or around 2014-2015. Based on this, the company explains its commitment to maintain the HCV area which has been fully explained in indicator 7.12.4.

7.12.3

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

7.12.4

Based on the results of HCV identification, it is known that there are HCV areas within the scope of the certification unit and several types of RTE species consisting of mammals, aves and herpetofauna. The company has compiled and determined the HCV management plan in the 2019-2028 HCV Management Plan document with the scope of management and targets every year. An integrated management plan is developed in consultation with relevant stakeholders and covers areas that are directly managed and takes into account the relevant wider landscape level carried out in conjunction with the annual SIA review. The company manages the HCV area by providing boundary markers, signboards and markers for the boundaries of the HCV area. In addition to the 10-year management plan, the company also has a management plan that is prepared annually which aims to update management and monitoring needs, the annual program for the 2023 period includes:

- Socialization of HCV Area Management and Management of Critically Endangered, Threatened, and/or Protected Species.
- Maintenance of HCV attributes by creating, installing and maintaining boundary signs, boundary markers and carrying out monitoring and maintenance of information boards.
- Monitoring of HCVs by conducting surveys for flora and fauna inventory.

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

- PT BPLP's HCV identification and management plan report in January 2013 in the recommendations section explains that the company needs to create a buffer zone area on the banks of rivers and springs. Based on this document, the determination of buffer zones is as follows:
 - Buffer zone reservoir with an area of 50 m
 - River border buffer zone with a width of less than 30 m and an area of 50 m.
 - Buffer zone of 200 m springs.

The document states that it does not apply chemicals and fertilization along the banks of rivers and springs. The report also explains the types of HCV identified, for areas with HCV functions, for example:

| |
|------------------|
| Kubing springs |
| F38 springs |
| RTBM springs |
| Bedaun riparian |
| Bakung riparian |
| Seluang riparian |

- c. Work Instruction No.IKA/30/BLP/2019 stipulated on June 1, 2021 Protection of water sources and quality explains that it is forbidden to poison fish, damage or dispose of domestic waste around river and reservoir border areas. It is prohibited to carry out activities related to chemicals (spraying and fertilizing on the banks of rivers and reservoirs).
- d. The company shows the PT BPL high conservation value (HCV) area management and monitoring report document for 2022 which describes several types of management and monitoring activities, as an example:
 - Monitoring HCV areas every 3 months during 2022.
 - Monitoring RTE every 6 months during 2022.
 - Outreach to employees and the community regarding HCV every 6 months during 2022.
 - Installation and maintenance of warning boards, prohibitions and/or notices, pamphlets about animals every 6 months during 2022.
 - Evaluation of management once a year.
 - Etc.

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

- The 2022 HCV management and monitoring implementation report explains that there is no threat or disturbance to the HCV area at PT BLP.
- The HCV Monitoring Document for ARJE, SMRE and BRME for 2022 HCV explains that a program for managing riverbanks and springs as well as maintenance of boundary signs and information boards for HCV areas has been realized.

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 buffer zone Bakung river block K32/L32 Bromo estate, information was obtained that one side of the buffer zone did not provide chemical application limits.
- HCV buffer zone Kubing spring block I23/22 Semeru estate obtained information that:
 - There are packages of used Gemaxone brand pesticides being dumped into the spring.
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning top soil for agricultural activities (horticultural cultivation) in the spring area.
- HCV buffer zone of Seluang river block F and FH 1 Arjuna estate, information was obtained that there was activity of spraying pesticides for TPH treatment and there was no limit sign of prohibition of chemical application.
- HCV buffer zone spring block F6 (Community Open Space, RTBM) Arjuna estate obtained information that:
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning weed residues for agricultural activities (horticultural cultivation) in the spring area.

In addition, the company has also not been able to show evidence that the prepared HCV management and monitoring plans have been developed in consultation with relevant stakeholders and cover areas that are directly managed and consider the landscape level and are reviewed at least once every **five years**.

The company has not been able to show evidence of the implementation of the HCV management plan that has been carried out in accordance with the HCV Management plan and SOP that it has and has been developed in consultation with stakeholders and reviewed at least once every five years. This indicator become **NCR Number 2023.12 with major category**.

7.12.5

The company has identified the needs of the community as well as the areas needed by the affected community to meet their basic needs, taking into account the potential positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the existence of an HCV 6 area in the form of the sacred Batang Ulin and the area for offering traditional ceremonies. The company has identified and carried out activities to minimize risks and impacts both for the community and for the environment, for example by providing regular socialization to the community not to apply chemicals in river areas to avoid pollution, not to clear land by burning, and so on.

The unit of certification has also considered various land tenure and management options to protect the HCV area in a way that also protects the rights and livelihoods of local communities. For example, for the HCV Block D29 area of 124.43 Ha where the area is a forested area belonging to the Bedaun Village community. Due to an agreement to establish a plasma plantation in the area with the Kumai Hulu Seberang Cooperative which consists of the Bedaun Village Community, an agreement emerged to open the area into an oil palm plantation. After the area was planted, an internal conflict arose within the cooperative which caused the company to refuse compensation for the area. So that until now the company has left the area, and it is still left as an HCV area whose condition has begun to be forested. The company stated that it is committed to continuing to make the area a HCV area, by making an agreement by the land owner that it will exchange land for new land. However, until now no new land has been acquired to replace the area, so the company only provides compensation to the land owner so that the location is not cleared or managed by the community and is left as an HCV area.

Currently, the company also has an agreement with the community who are members of the Fire Alert Community, for example for monitoring and patrol activities, the company has also made an agreement with the community who are active in the company's area not to hunt and trade wildlife. The company has also approached relevant stakeholders, including:

- Submit a list of protected species found in the BKSDA area.
- Provide executive summary to relevant parties such as local government and local communities.
- Socialization regarding HCV is carried out periodically to find out the extent of community understanding of the existence of HCVs in the PT EHP and PT BLP areas.
- Make an agreement with the surrounding village to maintain the HCV area in the plantation area.
- Provide assistance in evacuating the entry of Orangutans into community land.

7.12.6

The Certification Unit already has a policy set out in procedures related to the protection of endangered species, namely Procedure Number OP-OTH-F3-12 regarding Management and Monitoring of Conservation Areas dated January 10, 2019 as well as the Sustainability Policy document owned by PT EHP Group. The document contains procedures consisting of preventive and repressive measures in an effort to protect protected wildlife and plants such as sustainability principles, all employees are advised not to hunt, capture, kill and sell protected animals and plants that are endangered and report any such activities. Maintain and not disturb the area designated as HCV area and report any illegal acts. Employees who do not comply will be subject to sanctions in accordance with the applicable laws and regulations. The company also put up no hunting boards with photos of the species and sanctions for violating government regulations in all HCV areas.

Information related to the application of sanctions for employees in the form of disciplinary action in accordance with the provisions of national law is also listed on the HCV signboard. The sanction is imposed by the company by giving the first warning letter to employees who violate work rules. Based on the results of interviews with company employees regarding animal protection, the company has committed to protecting animals that are within the scope of the company's management area, such as implementing a ban on hunting, killing and keeping wild animals within the company's environment. The procedure for animal protection also regulates the existence of sanctions or fines for those who violate these provisions.

In addition, the company has also conducted socialization about the existence of endangered plants and animals to employees and the surrounding community as indicated in the official report of the socialization as evidenced by the official report, accompanied by a photo and attendance list as described in indicator 7.12.4. Indirect socialization is also carried out by installing information boards and brochures warning signs related to conservation areas and the presence of protected rare plants and animals in places that are easily visible, such as area entrances, regional roads that are often crossed by the community, and other places other strategic areas such as offices, and other public facilities. The results

of field observations in several conservation areas indicate that the company has managed protected areas such as replanting local plant species, not logging, and installing HCV signboards as well as prohibiting hunting and burning to avoid and prevent poaching and/or encroachment. HCV area. Routine monitoring of HCV areas is carried out by several personnel appointed by the company.

Based on interviews with management units and company employees regarding animal protection, the company has committed to protecting animals that are within the scope of corporate governance, such as implementing a ban on hunting, killing and keeping wild animals within the company's environment. Field observations also commonly found protected species that live freely in the company area, such as the River Kingfisher (*Todirhamphus chloris*), Oriental Darter (*Anhinga melanogaster*) and Water Monitor (*Varanus salvator*). The results of interviews with workers and the community also often found Sun Bears (*Helarctos malayanus*) and Orangutans (*Pongo pygmaeus*). Observations in employee housing areas also show that no one keeps protected animals, the common pets owned by employees are chickens, cats and dogs that have been domesticated.

7.12.7

Monitoring of protected areas in the period of 2022 is carried out regularly every month to ensure the security of the area. Monitoring activities are carried out in several river border locations and all areas of the company's management. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every year by showing the results of HCV monitoring carried out in 2022. The results of observations of fauna in the plantation area still found several types of protected animals that are included in the protection status according to the IUCN, CITES and PermenLHK Number 106 of 2018 includes the Root Tiger (*Prionailurus bengalensis*) and several types of Eagles, Parrot (*Psittacula longicauda*), Striped Kipasan Bird (*Rhipidura javanica*) and Wild Boar (*Sus barbatus*). The results of interviews with workers and the community also often found Sun Bears (*Helarctos malayanus*) and Orangutans (*Pongo pygmaeus*).

The company also conducts annual monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. The company also follows up on the improvement of the HCV area management plan which is made annually by involving all relevant stakeholders in the company's operational areas such as the surrounding community, especially the surrounding community and law enforcement. The company also conducts a review related to management and monitoring activities in 2022 as evidenced in the 2022 HCV Management Plan Review Report which contains evaluation and management and monitoring recommendations as an effort to improve HCV management activities in 2023. Based on the results of the review, several management recommendations were obtained, including:

- Increase socialization activities to staff, plantation employees and the community around the plantation to increase the level of understanding of HCVs, especially for employees and staff in the factory environment.
- Carry out various action plans for corrective actions based on management and monitoring recommendations that have been carried out.
- Improved the writing on the faded HCV 6 (Grave) markers and put-up signboards for animal monitoring paths in areas that have been designated as monitoring paths in each Estate.
- Improve the Management Plan document form in accordance with the SOP for Management and Monitoring of HCVs.

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. If we refer to the 2022 HCV Management Program, 2022 HCV Management Report, 2022 HCV Management Review and actual conditions in the field, it can be concluded that the company has carried out the management as stated in the document.

7.12.8

The company cleared land after 2005 without prior HCV assessment so that remediation and compensation procedures apply. The company conducted an HCV assessment for the PT EHP and PT BLP areas in 2012 (final document 2013). In this regard, the company has conducted a LUCA study and carried out the RaCP management process, as follows:

- The company presented the Land Use Change Analysis of PT BLP dated July 25, 2016 which informed that the total area of the unit, total area of raw liability, and total area of conservation of liability were about 9,128 ha; 3,865 ha; and 506 ha, respectively. The analysis resulting PASS from RSPO.
- Based on the RSPO Remediation and Compensation procedure in November 2015, it was informed that there is information on the company's obligations for land clearing from 1 January 2005 to 9 May 2009 and from 1 January 2010 to 9 May 2014 covering an area of approximately 182 ha and 308 ha, respectively. The first calculation is $(260 \text{ ha} \times 0.5) \times 0.7 = 182 \text{ ha}$; while the latter is $(220 \text{ ha} \times 2) \times 0.7 = 308 \text{ ha}$.
- The concept note for remediation and compensation was sent via email to RSPO Compensation on 07 February 2019, to which khing.suli@rspo.org responded, and the Compensation note is acceptable but needs further explanation in the remediation section. The company has provided a response regarding the remediation (revision) issue via email on 13 February 2019, but there has been no response from the RSPO. Accordingly, the company sent an email to emir@rspo.org on February 26, 2019, requesting an update of the concept note, and this email has responded that the review process is still ongoing.
- There was an email from the RSPO dated 22 January 2019 which stated that if the company cannot meet the RaCP requirements, then the RSPO certificate cannot be issued until the RaCP is approved by the RSPO. Companies are given one year to complete and comply with the RaCP Process, otherwise the company is required to make a public announcement and re-audit if it fails to be approved by the RSPO.
- There was an email from the RSPO dated 25 April 2019, which stated that the corrective information provided in the revised Concept Note had been approved. The complete concept note (pre-approved proposed conservation project) has been approved by the Compensation Panel. The Company prepares and submits a Compensation Plan. As discussed, and referenced in the RaCP procedure, there will be a flat fee of USD 1,800.
- There was an email from the RSPO dated 10 May 2019 regarding the Endorsement of the Panel. Summary Compensation table of RaCP. The RaCP program has been running since January 2020 and by the time the ASA-4 audit was conducted, the Remediation and Compensation activity stage had entered the 2nd year of the program.
- Until the ASA-4 audit was conducted, there was no scheme to conduct field visits to the Remediation project located in Rimba Raya. Provide a plan especially for the audit team for further supervision if field visits in the project area.
- The company can show the annual report of the RaCP project through the Monitoring Report (Annual Progress Update) document of Rimba Raya Biodiversity Reserve, Rehabilitation Project, March 2022 compiled by Lestari Capital. The document describes the program objectives, among others:
 - Refining the area into a beautiful border landscape which is a valuable asset and environmental asset.
 - Provide a habitat for shelter and a source of food for various types of animals such as aquatic animals and other wildlife.
 - Protects the landscape from erosion.
 - Effectively filter runoff into rivers from pollutants such as fertilizers, anti-pesticides (pesticides) and heavy metals so that river water quality is maintained from pollution.
- To achieve the above, and to continue what we have been doing from 2020, the company carries out several programs including:
 - Maintain the practice of cleaning under the canopy, immediately stop the use of fertilizers and pesticides in riverbanks to facilitate natural regeneration.
 - Maintain the nursery area and seeds
 - Replanting in the river border area of 670 trees (*Gmelina arborea*, *Senna siamea*, *Peronema canescens* Jack, and *Jaring Hantu* (local name) along the Seluang and Bakung River borders.
 - Monitor seeds, trees and riverbanks
 - Installation of signage as a form of indirect socialization and FGD for direct socialization.

Based on this evidence, and analysis of several documents including email communications between PT EHP and PT BLP and RSPO, it can be concluded that the company has fulfilled its obligations under the RaCP program.

7.12.4 Status: NCR Number 2023.12 with major category.

3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Eagle High Plantation Tbk 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

PT Eagle High Plantation Tbk Time Bound Plan (TBP) is explained in table 1.5. PT Eagle High Plantation Tbk run nine (9) mills and seventy two (72) estates in Indonesia. PT Eagle High Plantation Tbk has informed the TBP, MUTU has considered that PT Eagle High Plantation Tbk is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by PT Eagle High Plantation Tbk on November 2022 by the sustainability departement..

MUTU has verified partial certification for un-certified unit's subsidiary of PT Eagle High Plantation Tbk 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 others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared below.
- The company has follow RSPO requirement related to Remediation and Compensation Procedure, but not for New Planting Procedure. The company will follow the sanction from RSPO for area that has open after 1 January 2010 without NPP.
- There is no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

| 2.1 Un-Certified Units or Holdings | | |
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| 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>Company Group/Holding Statement: PT Eagle High Plantations, Tbk. had conducting internal audit towards partial certification for its subsidiary companies on 31 October 2022.</p> <p>Auditor Verification: The has shown Internal Audit report for all uncertified management unit as follows:</p> <ol style="list-style-type: none"> 1. PT Bumilanggeng Perdanatrada (PT BLP) 2. PT Eagle High Plantation (PT EHP) 3. PT Bumi Hutani Lestari (PT BHL) 4. PT Adiyaksa Dharmasatya (PT ADS) 5. PT Jaya Mandiri Sukses (PT JMS – East Kalimantan) 6. PT Manunggal Adi Jaya (PT MAJ – East Kalimantan) 7. PT Suryabumi Tunggal Perkasa (PT STP – East Kalimantan) 8. PT Sawit Sukses Sejahtera (PT SSS) 9. PT Prima Cipta Selaras (PT PCS) 10. PT Arrtu Plantation (PT APN) 11. PT Arrtu Energie Resources (PT AER) 12. PT Arrtu Borneo Perkebunan (PT ABP) 13. PT Arrtu Agro Nusantara (PT AAN) 14. PT Mandiri Kapital Jaya (PT MKJ) 15. PT Multikarya Sawit Prima (PT MSP) 16. PT Seguri Serasau Sejahtera (PT SGSS) 17. PT Satria Manunggal Sejahtera (PT SMS) 18. PT Bumi Sawit Utama (PT BSU) |

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| | | 19. PT Agrolestari Kencana Makmur (PT AKM) 20. PT Varia Mitra Andalan (PT VMA) 21. PT Wanacatur Jaya Utama (PT WCJU) 22. PT Tandan Sawita Papua (PT TSP) 23. PT Manunggal Adi Jaya (PT MAJ – South Kalimantan) 24. PT Karyapada Agrisejahtera (PT KAPAG) 25. PT Saka Kencana Sejahtera (PT SKS) 26. PT Pesonalintas Surasejati 27. PT Singalan Asetama (PT SGA) 28. PT Suryabumi Tunggal Perkasa (PT STP – South Kalimantan) 29. PT Jaya Mandiri Sukses (PT JMS – South Kalimantan) The audit conducted on 31 October 2022 |
| 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>Company Group/Holding Statement: PT Eagle High Plantations, Tbk is not reporting disclosure of liability but has already deliver LUCA to RSPO through email.</p> <p>Auditor Verification:</p> <ul style="list-style-type: none"> - PT BLP – EHP Mill <ul style="list-style-type: none"> HCV assessment has conducted by Tropenbos International Indonesia on September 2012. LUCA has conducted by Aksenta on February 2015. The LUCA had been reviewed by RSPO on 25 July 2016 and passed the review, as informed through an email dated 9 September 2016. The RaCP Concept Note analysis has stated passed by RSPO Compensation, informed through email dated 09 September 2016. 31 Oct 2018: Submission of the LUCA for PT BLP 562 ha and updated LUCA for PT AAN 7 Oct 2019: 1st Review (sent to Aksenta for response on 8 Oct 2019) 20 Nov 2019: clarification submitted - PT EHP – EHP Mill. <ul style="list-style-type: none"> 23 Nov 2018: Concept Note was submitted to RSPO 7 Jan 2019: disclosure of liability 7 Feb 2019: Preliminary feedback was received from the RSPO 13 Feb 2019: Updated concept note was submitted to RSPO 19 Feb 2019: More information was being asked by RSPO 20 Feb 2019: More information was supplied to RSPO 18 Mar 2019: more clarification was being asked 18 Mar 2019: clarifications responded 25 Mar 2019: environmental remediation issue resolved, the concept note is now forwarded to the Compensation Panel to finalize the review and approval of the concept note 9 Apr 2019: more information required 10 Apr 2019: information supplied 25 Apr 2019: Concept Note approved, Compensation Plan submitted to RSPO. - PT BHL – BHL Mill. |

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| | | <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on July 12th 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA had delivered to RSPO Compensation through email on Oct. 15th 2018 and has been reviewed from RSPO Reviewer on March 24th 2018 but still need clarification. • LUCA for location permit of PT BLP was completed in May 2016 by Aksenta. Submitted to RSPO on 31 Oct 2018 <p>- PT ADS – ADS Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on July 12th 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017 and has been reviewed by RSPO Reviewer on 20 Mar 2018. On 26 Sep 2018, further clarifications were required and on 15 Oct 2018, an update of the LUCA was submitted in response to the clarifications <p>- PT JMS – Bangkirai Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling Akreditasi Nusantara on November 2011. • LUCA had conducted by Aksenta on December 2016. The LUCA had been reviewed by RSPO on April 6th 2018 and on March 14th 2018. The RaCP analysis has stated passed for 27.10 ha by RSPO Compensation, informed through email dated September 18th 2018. However, for 113.35 ha was still on going process by RSPO. <p>- PT MAJ – Bangkirai Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling Akreditasi Nusantara on December 2011. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted • 12 Nov 2019: Clarification required (sent to Daemeter on 13 Nov 2019) - RSPO sent the MAJ Kalsel file • 29 Jan 2020: Clarification required (sent to Daemeter on 29 Jan 2020). <p>- PT STP – Bangkirai Mill.</p> <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on December 2011. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017 and has been reviewed by RSPO Reviewer on 11 Mar 2018. On 26 Sep 2018, further clarifications were required and on 19 Oct 2018, an update of the LUCA was submitted in response to the clarifications. • 15 Oct 2019: 2nd clarification required (sent to Aksenta for response on 16 Oct 2019) • 9 Dec 2019: clarification submitted • 29 Jan 2020: Pass |
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| | | <ul style="list-style-type: none"> - PT SSS – SSS Mill. <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on November 2011. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted • 4 Nov 2019: request for clarification (sent to Daemeter for response on 4 Nov 2019). - PT PCS – SSS Mill. <ul style="list-style-type: none"> • HCV assessment has conducted by Tropenbos International Indonesia on December 2012. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted • 4 Nov 2019: request for clarification (sent to Daemeter for response on 4 Nov 2019). - PT APN – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 11 Dec 2018, an update of the LUCA was submitted in response to the clarifications. - PT AER – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on April 2018. The LUCA has delivered through email dated October 15th 2018 and still under review by RSPO Compensation. - PT ABP – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 19 Oct 2018, an update of the LUCA was submitted in response to the clarifications. - PT AAN – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 26 Sep 2018, further clarifications were required and on 31 Oct 2018, an update of the LUCA was submitted in response to the clarifications. - PT MKJ – Kelampai Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. |
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| | | <ul style="list-style-type: none"> • 7 Jan 2019: disclosure of liability • 8 May 2019: LUCA submitted • 24 Sep 2019: clarifications required (sent to Daemeter on 14 Oct 2019). <ul style="list-style-type: none"> - PT JMS – Batu Bulan Mill <ul style="list-style-type: none"> • 7 Jan 2019: disclosure of liability • 29 Sep 2017: LUCA submitted • 26 Sep 2018: Further clarification required 15 Oct 2018: Revision of the LUCA submitted, FCL is now 101.73 ha • 25 Nov 2019: Further clarification required (sent to Aksenta on 26 Nov 2019) • 20 Jan 2020: Revision of the LUCA submitted • 3 Mar 2020: Clarification required • 4 Mar 2020: Revision submitted • 12 Mar 2020: pass - PT STP – Batu Bulan Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted - PT SGA – Batu Bulan Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Yayasan Sawit Berkelanjutan on June 2010. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted - PT PLS – Safir Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on June 2015. • LUCA has been conducted by Aksenta in July 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 27 Sep 2018, RSPO sent a list of clarifications and LUCA's status without the status of PT PLS' LUCA. On 5 Oct 2018, the LUCA was resubmitted to RSPO. - PT SKS – Safir Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on July 2012. • 7 Jan 2019: disclosure of liability • 30 Apr 2019: LUCA submitted - PT KAPAG – Safir Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • 7 Jan 2019: disclosure of liability - PT MAJ – Safir Mill <ul style="list-style-type: none"> • HCV assessment and LUCA still on progress. • 7 Jan 2019: disclosure of liability |
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| | | <ul style="list-style-type: none"> - PT TSP – Tulip Mill <ul style="list-style-type: none"> • HCV assessment has conducted by Polito on September 2010. • LUCA has conducted by Aksenta on July 2017. The LUCA has been submitted to RSPO Compensation through email on 15 Oct 2018. • 4 Nov 2019: request for clarification, sent to Aksenta on 4 Nov 2019 • 16 Dec 2019: clarification submitted • 12 Jan 2020: clarification requested (sent to Aksenta on 16 Jan 2020) - PT VMA <ul style="list-style-type: none"> • HCV assessment has conducted by Sonokeling on September 2012. • LUCA was completed in Dec 2015 by Aksenta. Submitted to RSPO on 29 Sep 2017. The LUCA has been submitted to RSPO Compensation through email on 29 Sep 2017. On 27 Sep 2018, RSPO sent a list of clarifications and LUCA's status without the status of PT VMA LUCA. On 5 Oct 2018, the LUCA was resubmitted to RSPO. On 11 Nov 2018, RSPO required more data on PT VMA LUCA and on 11 Dec 2018, the revised LUCA for PT VMA was submitted to RSPO Compensation • 24 Sep 2019: clarifications required • 21 Oct 2019: clarifications submitted • 4 Nov 2019: clarifications required, sent to Aksenta on 4 Nov 2019 17 Dec 2019: clarification submitted <p>Based on desk study found complaint from NGO (green peace) related to deforestation in PT Varia Mitra Andalan and Arrtu Energie Resources. Company has conduct clarification for VMA by conduct HCS and for AER company has made fire incident report and sent to GAR as buyer on 19 November 2018.</p> |
| 2.1.3 | Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure. | <p>Company Group/Holding Statement:</p> <p>All subsidiaries of EHP not conduct NPP for new planting since 1 January 2010, detail information consist of:</p> <ol style="list-style-type: none"> 1. PT MSP: planting year consist of 2009 – 2016 and not conduct NPP. 2. PT SGSS: planting year consist of 2008 – 2014 and not conduct NPP. 3. PT SMS: planting year consist of 2011 – 2014 and not conduct NPP. 4. PT SMS: planting year consist of 2013 – 2015 and not conduct NPP. 5. PT AKM: planting year consist of 2011 – 2015 and not conduct NPP. 6. PT VMA: planting year consist of 2015 and not conduct NPP. 7. PT WCJU: planting year consist of 2007 – 2014 and not conduct NPP. |

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| | | <p>Auditor Verification: Based on auditor verification 24 subsidiaries of EHP not conduct NPP and will be object as sanction, those unit consist of:</p> <ol style="list-style-type: none"> 1. Palms in PT BLP were planted in 1997 to 2014. 2. Palms in PT BHL were planted in 1998 to 2014. 3. Palms in PT ADS were planted in 2006 to 2014. 4. Palms in PT JMS (Bangkirai Mill) were planted in 2005 to 2015. 5. Palms in PT MAJ (Bangkirai Mill) were planted in 2006 to 2015. 6. Palms in PT STP (Bangkirai Mill) were planted in 2007 to 2014. 7. Palms in PT SSS (Bangkirai Mill) were planted in 2008 to 2014. 8. Palms in PT PCS (Bangkirai Mill) were planted in 2011 to 2014. 9. Palms in PT APN (Kelampai Mill) were planted in 2009 to 2017. 10. Palms in PT AER (Kelampai Mill) were planted in 2013 to 2016. 11. Palms in PT ABP (Kelampai Mill) were planted in 2011 to 2016. 12. Palms in PT AAN (Kelampai Mill) were planted in 2011 to 2017. 13. Palms in PT MKJ (Kelampai Mill) were planted in 2008 to 2015. 14. Palms in PT MSP were planted in 2009 to 2016. 15. Palms in PT SGSS were planted in 2015 to 2016. 16. Palms in PT SMS were planted in 2011 to 2014. 17. Palms in PT BSU were planted in 2013 to 2015. 18. Palms in PT AKM were planted in 2011 to 2015. 19. Palms in PT VMA were planted in 2015. 20. Palms in PT WCJU were planted in 2007 to 2014. 21. Palms in PT TSP were planted in 2011 to 2014. 22. Palms in PT PLS were planted in 2005 to 2014. 23. Palms in PT SGA were planted in 1997 to 2013. 24. Palms in PT JMS (South Kalimantan) were planted in 2005 to 2016. <p>There are 5 subsidiaries of EHP that not conduct land clearing after 1 January 2010, i.e.:</p> <ol style="list-style-type: none"> 1. PT EHP is a palm oil processing mill without estates → not applicable. 2. Palms in PT MAJ (South Kalimantan) were planted in 2006 to 2008 3. Palms in PT KAPAG were planted in 1997 to 2007 4. Palms in PT SKS were planted in 2006 to 2008 5. Palms in PT STP (South Kalimantan) were planted in 2005 to 2008 |
| 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:</p> <ol style="list-style-type: none"> 1. PT MSP: There are no land conflicts 2. PT SGSS: There are no land conflicts 3. PT SMS: There are no land conflicts 4. PT BSU: There are no land conflicts 5. PT AKM: There are no land conflicts 6. PT VMA: There are no land conflicts 7. PT WCJU: There are no land conflicts <p>Auditor Verification:</p> <ol style="list-style-type: none"> 1. SIA for PT BLP has conducted by Sonokeling on 2013 and has also included on AMDAL report dated July 22nd 1998. Both report informed that there were no land conflict which negatively disturbed company operational activities. <p>However, http://tanahkita.id/v2/data/konflik/detil/Wldkbw/ informed that there was land dispute with Kumai Hulu Village for</p> |

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| | | <p>about 337.00 ha. Regarding this matter, the company shows documents related to process of negotiation and mediation with BPN dated November 19th 2013. Last update was Letter from company dated October 17th 2018 as response towards claimnant letter dated March 11th 2018, which mentioned that it was clear that those dispute area legally owned by PT BLP as stated on BPN Letter dated November 19th 2013. However, it was recommended to claimnant to continue the process into Court. Company letter was also attached to Bupati Kotawaringin Barat, kapolres Kotawaringin Barat, Camat Kumai dan Kepala Desa Bedaun. There is no current respon from claimnant.</p> <ol style="list-style-type: none"> 2. Land conflict in PT EHP has no exist. 3. SIA for PT BHL Mill has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26th 2009. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, it was informed on internal audit that there was land dispute for about ± 60 ha in Kerinci Estate. Unit management shows several related documents, such as Official Letter or dispute mapping field measurement which involving affected parties including Kepala Desa Mirah Kalanaman and Kepala Urusan Pemerintah Desa Mirah Kalanaman on November 20th 2008; as well as results of Pengadilan Negeri Kasongan in Katingan and Pengadilan Tinggi Palangkaraya. Todate, update on this matter was ongoing process of checking in Mahkamah Agung with case register No. 1634K/Pdt/2017. 4. SIA in PT ADS has conducted by Sonokeling on September 2013 and also included on AMDAL report dated August 26th 2009. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, https://kalteng.antaranews.com/berita/242411/perusahaan-sawit-ads-garap-lahan-pertanian-warga informed that there was land dispute 116 ha with Village of Tanjung Jorong (15 person). Regarding this matter, the company shows minutes of mediation with affected parties in Police Resort of Kotim on December 22nd 2015 for dispute area about 600.00 ha, resulting the claimnant to continue the process into Court. However, there is no progress from claimnant since December 25th 2015. 5. SIA in PT JMS (Bangkirai Mill) has conducted by Sonokeling on October 2011 and also included on AMDAL dated June 18th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, there were about 4,033.20 ha situated within HGU were still occupied by local people. Regarding this matter, unit management shows reconsiliation process among two parties which informed that the locals has not willing for any compensation. These reconsiliation has lastly conducted on 2015 and no positive progress after that. 6. SIA in PT MAJ (Bangkirai Mill) has conducted by Sonokeling on December 2011 and also included on AMDAL report dated June 18th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities. |
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| | | <p>7. SIA in PT STP (Bangkirai Mill) has conducted by Sonokeling in December 2011 and also included in AMDAL report dated February 11th 2008. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, it was informed on internal audit that there was land dispute for about ± 7,52 ha in Cendana Estate, noted in November 3rd 2017. Unit management shows several related documents, such as Police Resort Report from PT STP dated November 3rd 2017 and Information Progress Report Letter dated September 21st 2018 which informed that the case was still under investigation.</p> <p>8. SIA in PT SSS (SSS Mill) was still ongoing progress by Daemeter. Information towards social assessment has also conducted in AMDAL report which consist of two Stage, e.g.: on July 23rd 2008 and June 17th 2010, respectively. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>9. SIA in PT PCS (SSS Mill) was still ongoing progress by Daemeter. Information towards social assessment has also conducted in AMDAL report dated March 4th 2015. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, http://www.suarakutim.com/safni-kami-sebatas-mengklaim-makam-leluhur-kami-dirusak/ informed that there was an issues related to Ancestor Cemetery in Muara Ancalong. The company has conducting follow up on this matter, shows on Field Checking Official Letter report dated February 26th 2016, resulting there was no marks existing of cemetery (no bones). Official letter signed by stakeholder from Kelinjau Village, Muara Ancalong.</p> <p>10. SIA in PT APN (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated December 5th 2007. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, https://www.pontianakpost.co.id/sengketa-lahan-pt-artu-dan-pt-isl informed that there was land dispute for about 2,900 ha with PT Inti Sawit Lestari (PT ISL) in Village of Siantau Raya, Sub-Regency Nanga Tayap. Regarding this matter the company shows Letter from National Land Agency dated August 23rd 2017 which mentioned in Point No. 2 that there were no overlapping area of PT APN with any companies.</p> <p>11. SIA in PT AER (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated December 27th 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>However, according to web information, it was known as follows:</p> <p>http://www.mongabay.co.id/2014/11/11/orangutan-ini-terjebak-di-areal-konsesi-perkebunan-sawit-ketapang/ informed that there was presence of Orang Utan in PT AER. It has respnded through Arrtu Mayak Orangutan Rescue (AMOUR) project. Future plan and progress of project can be accessed through company website in eaglehighplantation.com.</p> |
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| | <p>https://www.greenpeace.org/seasia/Global/seasia/2016/IOI-Report-Indonesian-lowres.pdf informed that there were deforestation due to fire. This mater has followed up by the company shows document of fire incident report PT AER – Energi Pawan Estate Jan-Sep 2018 which describes chronology of fire incident at the reported areas, photo of incidents, cause of fires, rainfall record and statistics, fire prevention and management, images detected and PT AER map, ground observation sites, conservation project AMOUR and future steps. Future plan and progress of project can be accessed through company website in eaglehighplantation.com.</p> <p>12. SIA in PT ABP (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated August 31st 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities. However, according to http://ketapangnews.com/2017/01/sengketa-lahan-antara-isl-dan-abp-berlanjut-ke-hukum/ , it was informed that there was Land dispute with PT Inti Sawit Lestari (PT ISL) in Village of Siantau Raya, Sub-Regency Nanga Tayap. Regarding this matter the company shows Letter from National Land Agency dated November 14th 2016 which mentioned in Point No. 4 that there were no overlapping area of PT ABP with any companies.</p> <p>13. SIA in PT AAN (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated August 31st 2010. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>14. SIA in PT MKJ (Kelampai Mill) has conducted by Sonokeling on July 2012 and also included in AMDAL report dated October 31st 2011. Both report informed that there were no land conflict which negatively disturbed company operational activities.</p> <p>15. PT MSP: There are no land conflicts</p> <p>16. PT SGSS: There are no land conflicts</p> <p>17. PT SMS: There are no land conflicts</p> <p>18. PT BSU: There are no land conflicts, but there is dispute related to development of smallholder (https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/). Based on document review BSU has develop plasma for an area 101.82 Ha. Community on behalf Koperasi Bukit Ganai has had partnership agreement for develop oil palm plantation based on agreement No. 009/KOP-BG-VIII/2016; 019/EHP-BSU/VIII/2016 on 31 August 2016.</p> <p>19. PT AKM: There are no land conflicts, but there is dispute related to development of smallholder (https://melawinews.com/2018/03/29/warga-tuntut-kebun-plasma-yang-dijanjikan-pt-akm-dan-pt-bsu/). Based on document review AKM has develop plasma for an area 638.93 Ha. Community on behalf Koperasi Serba Usaha Berikak Cahaya Lestari also has approve “Perjanjian Pengakuan Hutang” for an area of 638.93 Ha on 23 October 2018. On 2 May 2017 company and Koperasi Serba Usaha Berikak Cahaya Lestari has had partnership agreement for develop oil palm plantation (SPK No. 01/KOP-BCL/V/2017; 01/SPK-01/V/2017).</p> |
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| | | <p>20. PT VMA: There are no land conflicts</p> <p>21. PT WCJU: There are no land conflicts</p> <p>22. PT TSP: There is issue based on website (https://awasmiffee.potager.org/?p=853&lang=id) inform that PT TSP give compensation/ <i>Tali Asih</i> too small and company promises were not fulfilled. Company has conduct land compensation in 2010 for 8 tribe in 3 village for an area 18,337.90 Ha with compensation value IDR 10,000,000,000 (Ten Billion Rupiah).</p> <p>23. MAJ (South Kalimantan): land conflict with Basuang village (https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan) related to plasma. Based on verification, Desa Basuang not in MAJ operation area.</p> <p>24. KAPAG: No issue</p> <p>25. SKS: land conflict with PT Inhutani II based on website (https://putusan.mahkamahagung.go.id/putusan/e2429fb7e75126c33faee6deece65504/). Has been resolve in court on 2013.</p> <p>26. PT PLS: land conflict with community based on website (https://www.infosawit.com/news/3913/selesaikan-masalah-lahan-dprd-kalsel-bentuk-pansus-) and there issue related to development of smallholder (https://www.borneonews.co.id/berita/24233-takut-dibui-warga-tiga-desa-mengadu-ke-kapolres). Company has resolve by extent the plasma area.</p> <p>27. PT SGA: land conflict with community from Mentewe Village (https://tribatanewstanbu.kalsel.polri.go.id/?p=25000) and has been resolve (http://www.bidikkalsel.co/2015/10/sengketa-lahan-warga-dengan-pt.html).</p> <p>28. PT STP (South Kalimantan): compensation issue from customary people (http://www.aman.or.id/masyarat-adat-dayak-meratus-gugat-perusahaan-sawit/). EHP management shows document (softcopy) of Court (Pengadilan Negeri of Kotabaru) Verdict No. 02/Pdt.G/2014/PN.Ktb dated 09 February 2015 (Perdata) with conclusion the Court has reject the plaintiff's claim.</p> <p>29. PT JMS (South Kalimantan): land conflict with Cantung Kiri Village (https://kalsel.antaranews.com/berita/5055/kotabaru-antisipasi-konflik-lahan) related to plasma. Land conflict with community (http://sawitwatch.or.id/2015/03/pengambilalihan-kembali-tanah-adat-yang-telah-digarap-oleh-pt-jaya-mandiri-sukses-jms/). Company has resolve by extent the plasma 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:</p> <p>There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is stated in Company Regulation article 36.</p> <p>Auditor Verification:</p> <p>Based in information from public source and RSPO website informed:</p> <ul style="list-style-type: none"> • Labour dispute in PT BLP has no exist. • Labour dispute in PT EHP has no exist. • Labour dispute in PT BHL has no exist. • Labour dispute in PT ADS has no exist. |

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| | | <ul style="list-style-type: none"> • https://www.korankaltim.com/kutai-kartanegara/read/1972/miris-buruh-sawit-hanya-digaji-rp100-ribu-per-bulan informed that there was labour dispute towards minimum wage in PT JMS. However, as informed on ISPO verification in December 2018, it was known that the company has paid wages in accordance with regulation. • Labour dispute in PT MAJ has no exist. • Labour dispute in PT STP has no exist. • Labour dispute in PT SSS has no exist • Labour dispute in PT PCS has no exist • Labour dispute in PT APN has no exist • Labour dispute in PT AER has no exist • Labour dispute in PT ABP has no exist • Labour dispute in PT AAN has no exist • Labour dispute in PT MKJ has no exist • Labour dispute in PT MSP has no exist. • Labour dispute in PT SGSS has no exist. • Labour dispute in PT SMS has no exist. • Labour dispute in PT BSU has no exist. • Labour dispute in PT AKM has no exist. • Labour dispute in PT VMA has no exist. • Labour dispute in PT WCJU has no exist. • PT TSP: there are dispute related to workers in website (http://ipom.global/2017/08/29/eagle-high-dan-rajawali-terkena-pelanggaran-hak-asasi-manusia-di-perkebunan/) related to workers right and in website (https://pusaka.or.id/2016/01/karyawan-sawit-ditembak-perusahaan-harus-bertanggungjawab/) related to Christmas allowance/ THR. Based on document verification known that there is worker who was shot because he attack the office by flush the gasoline. The actions of these workers are due to not being paid for Christmas allowance / THR. But based on company clarification, the Christmas allowance / THR will be give based on procedure and this worker not comply with the procedure. Company has involving related stakeholder such as Labour Union, Manpower Agency of Papua and Keerom Regency, employees and Police Officials in solving to case. Furthermore, compensation has been given by the company as agreed by the involved workers. • Labour dispute in PT MAJ (South Kalimantan) has no exist. • Labour dispute in PT KAPAG has no exist. • Labour dispute in PT SKS has no exist. • Labour dispute in PT PLS has no exist. • Labour dispute in PT SGA has no exist. • Labour dispute in PT STP (South Kalimantan) has no exist. • Labour dispute in PT JMS (South Kalimantan) has no exist. |
| 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:</p> <p>The company has a mechanism to evaluate compliance with regulations. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> |

| | | <p>8. PT SSS has a match IUP and HGU, which totaling about 20,220.92 ha.</p> <p>9. PT PCS has IUP totaling for about \pm 11,203 ha. However, the company was still ongoing to obtain land title (HGU). As per update during partial assessment, it was informed that the progress is already on "Risalah Panitia B" or Kadasteral mapping.</p> <p>10. PT APN has IUP 17,300 ha. There was discrepancies about 44.57 ha between HGU Decree (11,924.48 ha) and Certificate (11,879.91 ha) (Decree>Cert.). This is due differences between "<i>Peta Bidang</i>" as mentioned in HGU Decree and "<i>Surat Ukur</i>" as mentioned in Certificate. Detail on hectare statement is presented in the following Table:</p> <table border="1"> <thead> <tr> <th>No. NIB</th><th>Peta Bidang (SK HGU – 2013)</th><th>Surat Ukur (Cert. HGU – 2013)</th></tr> </thead> <tbody> <tr><td>098</td><td>271.04</td><td>190.40</td></tr> <tr><td>099</td><td>5.28</td><td>5.17</td></tr> <tr><td>100</td><td>4.12</td><td>3.95</td></tr> <tr><td>101</td><td>33.07</td><td>32.57</td></tr> <tr><td>102</td><td>110.44</td><td>109.88</td></tr> <tr><td>103</td><td>4,243.09</td><td>4,239.19</td></tr> <tr><td>104</td><td>1,235.90</td><td>1,235.91</td></tr> <tr><td>105</td><td>2,426.30</td><td>2,570.09</td></tr> <tr><td>106</td><td>3,075.43</td><td>3,077.25</td></tr> <tr><td>107</td><td>519.92</td><td>415.50</td></tr> <tr><td>Total</td><td>11,924.48</td><td>11,879.91</td></tr> </tbody> </table> <p>11. PT AER has Location permit for about 16,000 ha and IUP-2011 for about 15,690 ha. However, there is no land title (HGU). The most updated on this matter is there was field kadasteral mapping resulting Kadasteral Map dated December 16th 2011 for area covers 11,650.09 ha with scale 1:40,000.</p> <p>12. PT ABP has Location permit for about 13,870 ha and IUP-2011 for about 6,947 ha. However, there is no land title (HGU). The most updated on this matter is there was field mapping resulting Kadasteral Map dated November 29th 2017 for area covers 4,295.47649 ha with scale 1:30,000.</p> <p>13. PT AAN has Location permit for about 13,250 ha and IUP-2011 for about 11,950 ha. However, there is no land title (HGU). The most updated on this matter is there was field mapping resulting Kadasteral Map dated December 30th 2011 for area covers 11,944.61 ha with scale 1:30,000.</p> <p>14. PT MKJ has Location Permit-2014 for about 7,300.00 ha; IUP-2012 for about 4,372.00 ha. However, there is no land title (HGU). The company shows request letter of Kadasteral measurement to BPN dated September 7th 2016.</p> <p>15. PT MSP: has obtain HGU for 6,527 Ha and IUP for 13,950 Ha.</p> <p>16. PT SGSS: has obtain IUP for 7,000 Ha. HGU not yet process because the company on going for land compensation, until 2015 has compensated for area 960 Ha.</p> <p>17. PT SMS: has obtain HGU decree for an area of 4918.5508 Ha, but HGU certificate not yet issued.</p> | No. NIB | Peta Bidang (SK HGU – 2013) | Surat Ukur (Cert. HGU – 2013) | 098 | 271.04 | 190.40 | 099 | 5.28 | 5.17 | 100 | 4.12 | 3.95 | 101 | 33.07 | 32.57 | 102 | 110.44 | 109.88 | 103 | 4,243.09 | 4,239.19 | 104 | 1,235.90 | 1,235.91 | 105 | 2,426.30 | 2,570.09 | 106 | 3,075.43 | 3,077.25 | 107 | 519.92 | 415.50 | Total | 11,924.48 | 11,879.91 |
|--------------|--------------------------------|---|---------|--------------------------------|----------------------------------|-----|--------|--------|-----|------|------|-----|------|------|-----|-------|-------|-----|--------|--------|-----|----------|----------|-----|----------|----------|-----|----------|----------|-----|----------|----------|-----|--------|--------|--------------|------------------|------------------|
| No. NIB | Peta Bidang (SK HGU – 2013) | Surat Ukur (Cert. HGU – 2013) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 098 | 271.04 | 190.40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 099 | 5.28 | 5.17 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 100 | 4.12 | 3.95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 101 | 33.07 | 32.57 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 102 | 110.44 | 109.88 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 103 | 4,243.09 | 4,239.19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 104 | 1,235.90 | 1,235.91 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 105 | 2,426.30 | 2,570.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 106 | 3,075.43 | 3,077.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 107 | 519.92 | 415.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 11,924.48 | 11,879.91 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | <p>18. PT BSU: has obtain IUP for 6,000 Ha. HGU not yet process, because the company on going for land compensation, until 2013 has compensated for area 1,380.58 Ha</p> <p>19. PT AKM: has obtain approval for cadastral but not yet conduct measurement. The company will consultation with BPN related to this case.</p> <p>20. PT VMA: has obtain decree to release forest area in 27 June 2013 for area 20,325.20 Ha. HGU not yet process because there is complaint from NGO (green peace). After that company conduct HCS and the result is only 3000 Ha with no HCS in separate area. Now the company is stop to develop in this area.</p> <p>21. PT WCJU: has obtain decree to release forest area in 29 August 2014 for area 3,803.79 Ha. The Company already submit for cadastral on 31 August 2018 for an area 3,760 Ha (3000 Ha own estate and 760 Ha plasma).</p> <p>22. PT TSP: has obtain HGU (13,143 Ha) and HGB (32.87 Ha).</p> <p>23. PT MAJ (South Kalimantan): cadastral on July 2007 (scale 1:27000) with total area 4,995.237 Ha (2,708.012 Ha available and the rest in not available). On 2009, there was spatial change and some area of company permit located in wildlife reserve.</p> <p>24. PT KAPAG: has obtain HGU (1806 Ha) with IUP 1806 Ha.</p> <p>25. PT SKS: Has obtain IUP (8,050 Ha), cadastral on 29 November 2007 with total area 5002 Ha (146 Ha available and the rest in forest production area). The company is process to release the forest production area but until now not yet finish.</p> <p>26. PT PLS: Has obtain HGU (1,752 Ha) and HGB (41.66 Ha) with IUP 4,407.62 Ha.</p> <p>27. PT SGA: has obtain HGU (6,788 Ha) on 1999 and IUP on 2000. On 2009, there was spatial change and indicate that 1,413 Ha located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> <p>28. PT STP: has obtain HGB (14.56 Ha) on 2008 with IUP 7614.56 Ha on 2006. The company has process the HGU but not yet finish, because there is indication that company area located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> <p>29. PT JMS: has obtain HGU (1614.39 Ha) and IUP 22,678 Ha. On 2009, there was spatial change and indicate that 1,152 Ha located in forest production area. The company is process to release the forest production area but until now not yet finish.</p> |
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3.4 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.4.1. Identification of Findings, Corrective Actions and Observations at at ASA-2 & ASA-3 (Onsite Audit)

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| NCR No. | : 2022.01 | Issued by | : Haikal Ramadhan Kharismansyah |
| Date Issued | : 10 June 2022 | Time Limit | : 8 September 2022 |
| NC Grade | : Major | Date of Closing | : 8 September 2022 |
| Standard Ref. & Requirement | 2.1.1 The unit of certification complies with all relevant laws and regulations. | | |
| Evidence observed (filled by auditor): | | | |
| <div>1. Compliance with regulations related to operator licenses</div> <div>• Steam Operators</div> <div>- From the SIO operator list, it is known that there are 2 employees who have attended class I steam aircraft training.</div> <div>- Based on field visits and interviews with PKS workers, it is known that PKS has a boiler (steam plane) with a capacity of 50 tons/hour</div> <div>- Permenaker No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity of >40 T/h - <60 T/h, it requires 1 class I operator and 2 class II operators for each shift.</div> <div>- Based on the list of PKS employees, it is known that there are a total of 6 employees in charge of operating boiler machines which are divided into 2 work shifts (3 people/shift) so that there should be 2 class I steam aircraft operators and 4 class II aircraft operators.</div> <div>• Power and Production Aircraft Operators</div> <div>- Permenaker No. 38 of 2016 in Articles 110, 111 and Table E it is explained that for a prime mover engine with a power of > 214.47 HP or 200 kVa, it must have a power and production aircraft operator in each shift.</div> <div>- Based on field visits and interviews with PKS workers, it is known that PKS has 3 generators with a capacity of 335 kVa and 355 kVa with operating status and 605 kVa with damaged status which are operated by operators with 3 shift changes.</div> <div>- The company shows the entire list of PKS employees' SIO, which includes 2 employees for 2 shifts who have attended generator operator training, but the SIO of 1 employee on the third shift has not been shown.</div> <div>- Based on field visits and interviews with plantation workers, it is known that Bromo and Semeru Estate have a generator with a capacity of 250 kVa and Arjuna Plantation with a capacity of 350 kVa, but the company has not been able to show the SIO of the operator operating the three generators.</div> <div>• Transport Aircraft Operators</div> <div>- Permenaker No. 9 of 2010 in article 5 paragraph 1 states "lifting and transporting aircraft must be operated by lift and transport aircraft operators who have K3 licenses and workbooks according to their types and qualifications".</div> <div>- Based on a field visit at Arjuna Plantation Division 1 Block C41, it was found that a worker with the initials BP was operating a Backhoe Loader.</div> <div>- The company shows the entire list of SIO employees of the Plantation, but has not been able to show the SIO for lift and transport aircraft operators with the initials BP.</div> <div>2. PKWT Recording</div> <div>• The document registering the workers of PT Eagle High Plantation and PT Bumilanggeng Perdanatrada for the period of May 2022 it is known that there are 578 workers with Daily Worker status.</div> <div>• Government Regulation No. 35 of 2021 → Contract Worker (PKWT) can be done with a daily work agreement. The PKWT must be registered by the entrepreneur at the ministry that organizes matters in the field of manpower online no later than 3 (three) days from the signing of the PKWT. In the event that the online PKWT registration is not yet available, then the PKWT registration is carried out by the entrepreneur in writing at the office that carries</div> | | | |

out government affairs in the Regency/City Manpower sector no later than 7 (seven) working days from the signing of the PKWT.

Non-Conformance Description (filled by auditor):

1. The company has not been able to show sufficient evidence that it has sufficient number of licensed operators in accordance with the regulations (4 class II steam aircraft operators, 4 power and production aircraft operators and lift and transport aircraft operators for employees with initials BP).
2. The company has not been able to show sufficient evidence that it has registered PKWT workers as stated in PP35 of 2021.

Root Cause Analysis (filled by organization audited):

OHS License Training for operators:

- There is a mutation of employees who already have a boiler operator license to another section.
- The situation for the last 2 years (2020 – 2021) is still in a COVID-19 condition where the schedule and number of OHS License Training Providers for Operators is very limited.
- Mill operational activities that do not allow all operators to conduct OSH license training because it will cause operational activities to stop.

Contract Worker Registration

- There is no regular monitoring and data collection for every new worker that is received.
- It has not been evenly disseminated to the person in charge of employment in the company regarding the obligation to register contract workers.

Correction (filled by organization audited):

OHS License Training for operators:

1. Register and carry out training for 2 people to attend class I steam aircraft training, 2 people to attend class II steam aircraft training, 4 people to take power and production aircraft training and 6 people to take lift and transport aircraft training.
2. Evidence of training has been carried out on 23, 25-29 July 2022 for class I steam aircraft training; 23, 25-28 July 2022 for class II steam aircraft training; 23-29 July 2022 for training on power and production aircraft and 18-20 July for lift-and-transport aircraft together with other business units in the EHP group.

Contract Worker Registration

- PT EHP and PT BLP have sent reports of PKWT workers to the Manpower Office of West Kotawaringin Regency.
- Conduct periodic data collection every month to ensure whether or not there are new workers joining.

Corrective Action (filled by organization audited):

OHS License Training for operators:

- Ensure that the OSH license training plan for operators is in accordance with the plan.
- The management of PT EHP ensures special competencies every time they transfer/accept new employees for jobs that require special competency requirements.

Contract Worker Registration

The HCCS Section ensures that any addition/renewal of workers with contravt status is reported to the Manpower Office of West Kotawaringin Regency in accordance with applicable regulations.

Assessor Evaluation and Conclusion (filled by auditor):

Verification On September 3, 2022
Contract Worker Registration

Companies can show documents:

1. Application for Registration of PT EHP's Specific Time Work Agreement document No. 019/EHPM-Ext/VIII/2022 dated August 19, 2022, for the number of workers as many as 14 people.

2. Application for Registration of PT BLP Work Agreement for a certain period of time, document No. 028/BLP/Ekternal/VIII/2022 dated August 22, 2022, for a total of 338 employees.
3. Receipt of the PKWT recording report by the Manpower and Transmigration Office of West Kotawaringin Regency on August 19, 2022.

Based on the results of corrective action verification, it is known that the company has implemented corrections and explained corrective actions so that the non-conformance does not recur, but the management unit has not been able to identify the root cause of the non-conformity, therefore the non-conformance to the PKWT recording has not been fulfilled.

Operator License

The company shows evidence of improvement in the form of:

1. BAPP concerning construction work and K3 license certification for Boiler and Genset operators on July 29, 2022 which explains that training has been carried out for Boiler operators of 4 people on 23, 25-29 July 2022 and generator operators of 4 people on July 23-29 2022.
2. BAPP concerning the work of fostering and certifying the K3 license for lift and transport aircraft operators on July 20, 2022, which explains that training has been carried out for lift and transport aircraft operators for 6 people on July 18-20, 2022.

However, the company's mechanism has not yet been shown to ensure that the training plan is carried out according to plan and to ensure special competencies for each transfer, so that this discrepancy is declared unfulfilled.

Verification On September 8, 2022

Operator License

The company shows proof of corrective action as indicated by internal memo No 012/PC-KALTENG 1/SE/IX/2022 regarding the management of operator licenses at BLP and EHP which explains that every operator who runs a production machine is required to have an SIO and when transferring/mutation of employees those who have SIO must report to the sustainability assistant so that a replacement is programmed for training.

PKWT Registration

Based on the results of the verification of corrective actions, it is known that the company has implemented corrections and explained corrective actions so that non-conformities do not recur and identify the root cause of the problem.

Auditor Conclusion:

Based on root cause analysis, corrections, and corrective actions for non-conformances for PKWT Registration and Operator Licenses are declared to have been fulfilled and will be observed. Return to the next assessment.

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| Verified by | : Haikal R Kharismansyah |
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| <i>NCR No.</i> | : | 2022.02 | <i>Issued by</i> | : | Haikal Ramadhan Kharismansyah |
| <i>Date Issued</i> | : | 10 June 2022 | <i>Time Limit</i> | : | 8 September 2022 |
| <i>NC Grade</i> | : | Major | <i>Date of Closing</i> | : | 8 September 2022 |
| <i>Standard Ref. & Requirement</i> | : | 6.2.2 There is a work agreement along with related documents that stipulates detailed wages and work requirements (for example regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notification period before dismissal, etc. in accordance with national regulatory requirements) and salary breakdown documents that provide accurate information on compensation for work performed. | | | |
| Evidence observed (filled by auditor): | | | | | |

1. Based on the list of workers in May 2022, it is known that workers with the initials YNT are registered as loose-fitting workers with Daily Worker status and have been working since 26 June 2021.
2. From the Worker Agreement, it is shown that the validity period of the agreement is from 26 June 2021 to 26 September 2021. In the WA it is written that the basic wage/day is Rp. 123,088.72, which should be for the period of 2022.
3. The results of interviews with the workers concerned in block F27B ARJE obtained information that they have never signed a work agreement with the company.

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that all employees have a valid employment agreement.

Root Cause Analysis (filled by organization audited):

- Lack of supervision and coordination from relevant departments (Division, Estate, and HCCS) so that there are TK that do not yet have SPK.
- There is a change of leadership so that there are SPK that have not been signed.

Correction (filled by organization audited):

- Re-identify anyone who does not yet have an SPK and make a new SPK in 2 (two) copies and submit one of them to the workers.
- Hold discussions on the composition of kindergartens and their supporting equipment for each monthly meeting and involve the HCCS team.

Corrective Action (filled by organization audited):

- If in the future there is a change of Estate Manager, the contract SPK will be signed by HCCS.
- Discussing the composition of TK regularly at every monthly meeting including identification of the completeness of new employee documents.

Assessor Evaluation and Conclusion (filled by auditor):
Verification On September 6, 2022

Companies can show documents:

- Minutes of the list of names of workers who received SPK for BHL employees for the Bromo Estate Division I unit totaling 54 workers.
- Minutes of the list of names of workers who received SPK for BHL employees for the Bromo Estate Division II unit totaling 59 workers.
- Minutes of the list of names of workers who received SPK for BHL employees for the Bromo Estate Division III unit totaling 69 workers.
- Minutes of the list of names of workers who received SPK for BHL employees for the Bromo Estate Big Office unit with a total of 13 workers.
- Minutes of the list of names of workers who received SPK for BHL employees for all divisions in Arjuna Estate totaling 197 workers.
- Minutes of the list of names of workers who received SPK for BHL employees for all divisions in Semeru Estate totaling 15 workers.
- SPK documents that have been signed by workers, including for 5 employees of the Bromo Estate unit, 1 worker of the Arjuna Estate unit and 2 workers of the Semeru Estate unit. For example, SPK No. 014/BLP.BRME-HCCS-PKWT/VII/2022 dated 22 July 2022 between the company (represented by EM BRME) and an employee with the initials FSA, with a validity period of 3 months from the date of stipulation.

Based on the results of the verification of the root cause analysis, corrections and corrective actions, it is known that there are still several points of auditor response that need to be followed up. Thus the discrepancy has not been met.

Verificaton On September 8, 2022

The company shows additional evidence of improvements in the form of:

1. Identify the completeness of TK documents including SPK updates up to September 7, 2022
2. Minutes of monthly meeting between HCCS and Operational Team
3. Checklist of completeness of documents for each worker including documentation of submission of SPK to each person (proof has been signed and received).

Auditor Conclusion:

Based on the root cause analysis, corrections, and corrective actions taken for non-conformities are declared to have been fulfilled and will be observed again in the next assessment.

Verified by : **Haikal R Kharismansyah**

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| <i>NCR No.</i> | : | 2022.03 | <i>Issued by</i> | : | Haikal Ramadhan Kharismansyah |
| <i>Date Issued</i> | : | 10 June 2022 | <i>Time Limit</i> | : | 8 September 2022 |
| <i>NC Grade</i> | : | Major | <i>Date of Closing</i> | : | 6 September 2022 |
| <i>Standard Ref. & Requirement</i> | : | 6.2.3 Evidence of legal compliance for regular working hours, deductions, overtime, sick leave, entitlement to vacation, maternity leave, reasons for dismissal, notice period before termination of work, and other employment provisions | | | |
| Evidence observed (filled by auditor): | | | | | |
| <ul style="list-style-type: none">Based on the list of employee wages, it is known that there is a proportion of Working Days (WD), for example for ARJE spray employees, for example:<ul style="list-style-type: none">Initials SPR (Loose fruit picker) → based on the finger print recapitulation document the person concerned works as much as 21 WD while in the wage slip document it is 17.32 WD.Initials JWR (Harvest) → based on the finger print recapitulation document the person in question works as much as 22 WD while in the wage slip document it is 21.66 WD.The management explained that the proportion of WD was due to the workers not getting the basis set by the company (Management's explanation was that the proportion of WD was because the worker concerned did not get the basis when picking loose fruit (picking loose fruit was done using the rotation area system and completing the area)).Government Regulation No. 36 of 2021 → Deductions from wages by employers can be made for payment of fines and compensation and are carried out in accordance with the Employment Agreement, Company Regulations or Collective Labor Agreement.Until the assessment is complete, supporting evidence has not been shown that the low output of the worker is indeed due to the worker who does not want to complete his work responsibilities.In the company regulations for the 2020 - 2022 period, article 7 concerning the article on working time states that the determination of working hours for plantation locations is based on the company's needs, namely 7 (seven) hours a day and 40 (forty hours) a week. | | | | | |
| Non-Conformance Description (filled by auditor): | | | | | |
| The company has not been able to show sufficient evidence that the wage system applied is in accordance with the provisions of the applicable regulations. | | | | | |
| Root Cause Analysis (filled by organization audited): | | | | | |
| <ul style="list-style-type: none">There is an automatic deduction made in the PMS application system that does not match the internal settings of the memo regarding the remuneration system. | | | | | |

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| Correction <i>(filled by organization audited):</i> <ul style="list-style-type: none"> PT BLP has improved the remuneration procedure for workers based on productivity (Basis) through internal Memo no 011/Estate&Mill Dept./IM/VIII/2022 (attached). | |
| Corrective Action <i>(filled by organization audited):</i> <ul style="list-style-type: none"> This remuneration system will be determined and adjusted to the PMS system used so that it is clear that there is no difference between absent finger and basic income. | |
| Assessor Evaluation and Conclusion <i>(filled by auditor):</i> <p>Verification On September 6, 2022</p> <p>Company can show Internal Memo Np. 011/Estate & Mill Dept./IM/VIII/2022 dated 31 August 2022 regarding Harvester Wages. Based on the verification results, it is known that the internal memo has explained "Under certain conditions, if the base volume of the cut fruit is not achieved, while the target area (hectare) of the random harvest and the effective working hours according to the day in question is achieved, then the Working Day wage is paid 100%."</p> <p>Based on the results of the verification of the root cause analysis, corrections and corrective actions, it is known that the company has identified errors in the wage system and compiled an internal memo related to harvesting wages to ensure system errors do not recur. Based on the description above, it can be concluded that the discrepancy in this indicator is declared fulfilled and will be observed in the next audit activity.</p> | |
| Verified by | : Haikal R Kharismansyah |

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| <i>NCR No.</i> | : | 2022.04 | <i>Issued by</i> | : | Arief Tajalli |
| <i>Date Issued</i> | : | 10 June 2022 | <i>Time Limit</i> | : | 8 September 2022 |
| <i>NC Grade</i> | : | Minor raise to Major | <i>Date of Closing</i> | : | 8 September 2022 |
| <i>Standard Ref. & Requirement</i> | : | 7.3.2 There is evidence of waste disposal according to procedures that are fully understood by workers and managers. | | | |
| Evidence observed (filled by auditor): | | | | | |
| Based on the results of field observations, document reviews and interviews, the following information was obtained: | | | | | |
| Bedaun Mill | | | | | |
| <ol style="list-style-type: none">Based on the results of field visits to the Hazardous Storage Bedaun Mill area, information was obtained that there was no stored B3 contaminated used packaging.Based on the results of interviews with the person in charge of the warehouse, information was obtained that no contaminated packaging had entered the TPS for the period after the last transport.Based on the analysis of the Manifest document, it is known that the last Hazardous transportation was carried out on April 8, 2022 or 2 months before the audit was conducted.Based on the results of the analysis of the Logbook documents for July 2021 – May 2022, information was obtained that there was no B3 packaging waste that went to the Storage.Based on the results of field visits to WTP areas, information was obtained that the company uses chemicals in the water treatment process. In addition, for data on the use of chemicals in 2021, information was obtained that the company used 2,339 Kg of lubricant and 10 Kg of Cycle-Hexane chemicals. | | | | | |
| Arjuna Estate | | | | | |
| <ol style="list-style-type: none">Based on the results of field visits to the Hazardous Storage Arjuna Estate area, information was obtained that there was no stored Hazardous contaminated used packaging. In addition, no symbols and labels were installed in the Hazardous Storage area.Based on the results of interviews with the person in charge of the warehouse, information was obtained that the used pesticide packaging was reused to collect water. | | | | | |

3. Based on the analysis of the Manifest Hazardous Storage Arjuna Estate document, it is known that the last Hazardous Storage transportation was carried out on March 8, 2022 or 3 months prior to the audit.
4. In the Logbook document of Hazardous Storage Arjuna Estate for March – May 2022, information was obtained that there was 48 pieces of Hazardous packaging waste that entered the Storage.
5. The results of the interview with the management stated that the transportation is carried out every 1-year period.
6. The results of the interview with the management also stated that the packaging contaminated with B3 such as jerry cans of pesticides and fertilizer sacks was reused. However, the company has not been able to show technical guidance documents related to the reuse of Hazardous contaminated packaging (Jerrycans of pesticides, fertilizer sacks, and others).
7. Based on the results of the analysis of the SOP document Number IKA-OTH-F3-04-01 related to the management and monitoring of B3 waste, it also does not explain the use of Hazardous Waste as regulated in PermenLHK Number 18 of 2020 concerning the use of hazardous and toxic waste.

Regarding the information above, the company has issued circular letter number 022/STT-KALTENG 1/SE/VI/2022 regarding the prohibition of reuse of used pesticide packaging. However, the company has not been able to provide a clear justification regarding the reuse of the used packaging.

By the time the ASA-1 audit was carried out, the management of Hazardous waste had become a non-conformance and the company had taken corrective and corrective actions to meet the non-conformance. However, when the ASA 2 + ASA 3 audit was carried out, it was still found that there was B3 waste that was not managed in accordance with applicable SOPs and regulations.

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

Based on the evidence obtained, it is concluded that the company has not been able to implement B3 Waste management as regulated in company procedures and applicable laws and regulations, including:

- SOP Number SOP-OTH-F3-0004 concerning Waste Management, Monitoring and Utilization which states that the waste used for pesticide/herbicide packaging is managed by storing in TPS and handed over to collectors.
- Decree of the Head of Bapedal Number 5 of 1995 and PermenLH Number 14 of 2013 which requires the provision of symbols and labels for all Hazardous waste management activities.
- PermenLHK Number 18 of 2020 concerning the utilization of hazardous and toxic waste.

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

There is a change of PIC that handle the management of hazardous waste

Correction *(filled by organization audited):*

- Retraining of SOP Number SOP-OTH-F3-0004 to LB3 storage officers who are responsible for LB3 management
- Removing the used chemical packaging after the announcement was made at the morning apple. (EHP and BLP)
- Handover to hazardous waste shelter and record in the logbook (EHP and BLP)
- Conduct routine patrols on the management of hazardous waste every week assisted by the PIC of each division
- When there is a change of PIC, the jobdesk handover is required to be documented and witnessed by the leadership

Corrective Action *(filled by organization audited):*

The Sustainability Section conducts periodic supervision of the implementation of hazardous waste management through OHS inspection activities.

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

Auditor Verification (4 September 2022):

The company has sent several documents related to corrective actions, including proof of training, minutes of withdrawal of used chemical packaging, as well as proof of handover and the latest logbook. However, based on the

results of the verification of root cause analysis, corrective actions and corrective actions, the company has not been able to identify all the root causes in depth. So that the determination of corrective and corrective actions is irrelevant, not right on target and not comprehensive. Based on this, the non-conformance cannot be fulfilled.

Auditor Verification (8 September 2022):

The company has sent several documents related to corrective actions, including proof of training, minutes of withdrawal of used chemical packaging, as well as proof of handover and the latest logbook. The company has also shown evidence of other corrective actions such as proof of installing symbols and labels, proof of submitting B3 waste from various sources, proof of socialization to officers and employees, as well as proof of circular letter Number 022/STT-KALTENG 1/SE/VI/2022 which emphasized the prohibition on the reuse of used chemical packaging. However, the company has not been able to demonstrate comprehensively regarding the corrective activities to be carried out. Based on this, the discrepancy has been met by observation.

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| <i>Verified by</i> | : | Arief Tajalli |
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3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-4

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| <i>NCR No.</i> | : 2023.01 | <i>Issued by</i> | : Firda Tarunajaya |
| <i>Date Issued</i> | : 01 April 2023 | <i>Time Limit</i> | : 30 June 2023 |
| <i>NC Grade</i> | : Major | <i>Date of Closing</i> | : 24 June 2023 |
| <i>Standard Ref. & Requirement</i> | 2.2.2. All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party | | |
| Evidence observed (filled by auditor): The company shows a list of local contractors in 2023 which consists of 41 contractors. The company has conducted a management review and continuous improvement plan for several contractors in 2022 which was carried out on April 1, 2022, namely the contractor a.n CV. Krismiati Jaya, CV. Sinar Abadi, CV Manyam Raya, CV. Sukowati, and CV. Signa Rasya, with the following results: | | | |
| <ul style="list-style-type: none">• Fulfillment of business entity legality 100%• Fulfillment of salary slip documents for employees 60%• Fulfillment of work agreement documents 20%• Fulfillment of paying labor salaries in accordance with the applicable UMSK 80%• Fulfillment of BPJS TK workforce 40%• Fulfillment of BPJS Health workforce 20%• Fulfillment of PPE for its workforce 100% | | | |
| Based on the assessment above, the company encourages and requires contractors operating at PT. BLP to provide social and health security for workers including the fulfillment of legal aspects. However, until the audit is completed, evidence of compliance with applicable law cannot be shown, including: | | | |
| <ul style="list-style-type: none">• Employee participation in Health Assurance and Social Assurance for CV Manyam Raya and CV. Signa Rasya• The minimum wage is in accordance with the regulations that apply according to Government Regulation 36 of 2021 concerning Wages in article 5 which explains the minimum wage policy for CV Manyam Raya and CV. Signa Rasya• A copy of the work agreement letter has not been shown between the worker and the service provider for CV Manyam Raya and CV. Signa Rasya | | | |
| Non-Conformance Description (filled by auditor): The company has not been able to show that third parties can show evidence of compliance with applicable legal obligations | | | |
| Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none">• The company has carried out an inventory and assessment of local contractors who work with the company, but for now the assessment is limited to the interview method and distributing questionnaires and has not entered or accommodated the collection of supporting documents (such as Social Assurance membership, payment of wages according to the minimum wage, and agreement letters contractors and their employees) which are considered sensitive for contractors because they do not understand the provisions for RSPO certification. | | | |

- Contracts with existing contractors are on-going work contracts, in addition, contractors contracted for the 2023 period are small-medium scale local contractors who need time to fulfill the relevant legal obligations and requirements by RSPO until an audit is carried out.

Correction *(filled by organization audited):*

- Conduct meetings with contractors for work in progress to socialize the provisions for fulfilling relevant legal obligations, as well as request documents to prove their compliance.
- Examples of document evidence of fulfillment of legal obligations CV Manyam Raya and CV. Signa Rasya, including:
 - Agreement letters documents between contractors and workers (documents attached).
 - Contractor employee social assurance membership documents (Social Assurance and Health Assurance).
 - Proof of payment of contractor worker wages.
- The improvement made by the company for the next new contracts is to issue rules that need to be fulfilled by contractors who will be contracted by the company in IM No02/BLP/IM/-AC Kalteng 1 /V/2023.
- The company is making improvements in stages starting with issuing policies related to the requirements for making/extending agreement letters for future contracts as well as conducting outreach to contractors who are still bound by work agreements so they can understand and carry out the fulfillment of legal obligations and the company's commitment to implementing RSPO certification:
- Conduct meetings with contractors for work in progress to socialize relevant legal compliance requirements as per RSPO P&C requirements
 - (Attachment 2023.01_a. BA Socialization of RSPO P&C and IM No 027BLPIM-AC KALTENG 1VI2023 To Contractors).
 - Sample proof of documents fulfilling legal obligations CV Manyam Raya and CV. Signa Rasya, including:
 - ✓ Agreement letters documents between contractors and workers (documents attached)
 - ✓ Contractor employee Social Assurance membership documents (Social Assurance and Helath Assurance)
 - ✓ Proof of payment of contractor worker wages
- Issuing the rules that need to be met by contractors who will be contracted by the company in IM No. 02/BLP/IM/-AC Kalteng 1 /V/2023 on 2 June 2023.
 - Attachment 2023.01_b. Internal Memo of Administrative Requirements for Making/Extension of Agreement Letters (No: 027/BLP/IM-AC KALTENG 1/VI/2023 on 2 June 2023)
 - Attachment 2023.01_c. Handover IM No 027BLPIM-AC KALTENG 1VI2023 on 2 June 2023
- Identify compliance with administrative requirements and compliance with RSPO requirements for contractors with on-going work. (Annex 2023.01_d. Identification and Evaluation of Contractors Against Compliance with RSPO Requirements).

Corrective Action *(filled by organization audited):*

- Conduct periodic checks on contractors regarding the fulfillment of relevant legal obligations for all contractors
- The company issued an Internal Memo No.02/BLP/IM-AC Kalteng 1/V/2023 concerning Administrative Requirements for Making / Extension of Agreement Letters which contains rules that need to be fulfilled by contractors who will make / extend Agreement Letters with PT.BLP / PT . EHP
- The company will disseminate the relevant RSPO P&C requirements (including IM No. 02/BLP/IM/-AC Kalteng 1/V/2023) to each new contractor/supplier to be contracted, as well as request documents fulfilling the requirements before the contract is made/extended and its implementation will be monitored regularly through the RSPO internal audit

- Attach Internal Memo of Administrative Requirements for Making/Extension of SPK (No: 027/BLP/IM-AC KALTENG 1/VI/2023 dated 2 June 2023
- Attach the results of identification and evaluation of contractors.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification on 02 Juni 2023

The unit of certification has carried out an analysis of the root causes, corrective actions and preventive actions, but there are still a number of notes and questions for the auditor that must be explained by the unit of certification. The company shows evidence of improvement, namely:

- CV Signa Rasya Plengeh
 - BPJS Health Membership a.n Edi Hartono CV Signa Rasya Plengeh
 - BPJS Health Membership a.n Sigit W CV Signa Rasya Plengeh
 - EFB Carriage Agreement between PT. BLP with CV Signa Rasya Plengeh No. 0062/SMRE/III/2023 Dated 20 March 2023
 - NIB, Permit for the Transportation of People and Trading Business Permit Year 2019 CV Signa Rasya Plengeh
 - Letter of Determination of First Fee/ Registration for BPJS TK CV Signa Rasya Plengeh
 - BPJS Employment deductions for CV Signa Rasya Plengeh on behalf of Sigit Wicaksono and Edi Hartanto in May 2023
 - SPK between CV Signa Rasya (represented by Sigit Wicaksono) and his employees on behalf of Edi Hartanto (with the UMK wage plus attendance allowance and included in the BPJS Health and BPJS Employment programs.
- CV Manyam Raya
 - BPJS Health Membership a.n Zaker Day CV Manyam
 - Contract Proposal form made by Unit Manager and approved by AC Kalteng-1
 - Request Form for Making Legal Documents from the Head Department to Corporate Legal
 - NIB, Business Location Permit (SITU), Small Trade Business Permit (SIUP), and Copy of CV Manyam Raya Trading Business Year 2019
 - SPK for the transportation of empty sheets No. 0009/CP-SMRE/I/2023 December 20, 2022 between UD Manyam Raya and PT BLP

CV Signa Rasya Plengeh CV Manyam Raya is a sample of audit activities. The certification unit needs to show the progress of the overall improvement including all existing contractors other than CV Signa Rasya Plengeh CV Manyam Raya. In addition, the unit of certification also needs to send evidence of other supporting documents as a remedy for non-compliance or as a corrective action.

Based on the description above, the discrepancy in this indicator is stated to have not been fulfilled until all evidence of improvement and its implementation can be submitted in a documentary manner to the Auditor team.

Auditor Verification on 20 Juni 2023

The unit of certification has not been able to show identification and overall repair of other contractors with the justification that contracts with existing contractors are on-going work contracts, besides that the contractors contracted for the 2023 period are small-medium scale local contractors who need time to comply with the relevant legal obligations required by the RSPO. The company plans to improve the cooperation mechanism for contractors in the future so that they can comply with company policies in accordance with Internal Memo No.02/BLP/IM-AC Kalteng 1/V/2023 concerning Administrative Requirements for Making / Extension of Agreement Letters which contains rules that need to be fulfilled by the contractors. contractors who will make/extend Agreement Letters with PT. BLP / PT. EHP.

The company needs to show Internal Memo No.02/BLP/IM-AC Kalteng 1/V/2023 concerning Administrative Requirements for Making / Extension of Agreement Letters.

Based on the description above, the discrepancy in this indicator is stated to have not been fulfilled until the proof of improvement is submitted documentatively to the Auditor team.

Auditor Verification on 24 Juni 2023

The company has determined the root cause, corrective action, improvement plan and acceptable to the Auditor. In addition, the company shows evidence of improvement, namely:

- Internal Memo of Administrative Requirements for Making/Extension of Agreement Letters No: 027/BLP/IM-AC KALTENG 1/VI/2023 on 2 June 2023. The internal memo explains that every application for making/extension of Agreement Letters must include a copy of contractor legality, photocopy No. Bank account in the name of the contractor, Photocopy of vehicle registration, Photocopy of vehicle driver's license book, Photocopy of Contractor's Personal Identity, Photocopy of Contractor's Driver's License, Photocopy of Social Assurance Card, Copy of Health Assurance Card, and Photocopy of Work Agreement between the contractor and the workers..
- Identification and evaluation of the fulfillment of RSPO requirements for PT BLP and EHP contractors for the June 2023 period was carried out on June 20, 2023. The contractor evaluation was carried out on the work agreement contract period, deed of establishment, business identification number, tax ID number, vehicle registration certificate, Personal Identity, Work Agreement, Social Assurance Membership, Membership Health BPJS, Salary Slips, Provision of PPE, competency certificates, follow-up plans, fulfillment targets and evaluation status of contractors.

Based on the description above, the discrepancy in this indicator is declared fulfilled and will be observed again in the next assessment to ensure its realization and consistency.

Follow up on next audit (filled by auditor):

Verified by : **Firda Tarunajaya**

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| NCR No. | : 2022.02 | Issued by | : Briyogi Shadiwa |
| Date Issued | : 1 April 2023 | Time Limit | : Next ASA |
| NC Grade | : Minor | Date of Closing | : 2 Juni 2023 |
| Standard Ref. & Requirement | 2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1. | | |
| Evidence observed (filled by auditor): | | | |
| <ul style="list-style-type: none">Based on a review of the document "<i>List of PT Eagle High Plantation FFB PKS Suppliers for the January-December 2022 period</i>", there is information on several collector agents, for example CV Arut Permai, CV Pantess Group, CV Karya Bersama, CV Anita Group, to CV Karya Mandiri Jaya Abadi.As a result of public consultations with FFB suppliers on behalf of PT Sekawan Artha Niaga, it is known that he is a FFB collecting agent from another party. | | | |

- The company has not been able to provide evidence of further information related to the FFB received by the collectors as required by indicator 2.3.1.

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

The company has not been able to provide evidence of information for indirectly obtained FFB.

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

The company has carried out and continues to gradually identify FFB suppliers/suppliers as required. However, until the audit was carried out, the supplier inventory activities had not been completed.

This is caused that to carry out data collection/identification requires specific resources (resources, costs and time) considering the large number of suppliers that must be recorded and the locations of suppliers spread over long distances. Data collection is also not easy because it requires an approach to supplying farmers to be willing to take the time to be met for data collection etc

Correction *(filled by organization audited):*

Complete and make a list of farmers supplying FFB to mills using the Farmer Database Form, especially for supplier: CV Arut Permai, CV Pantas Group, CV Karya Bersama, CV Anita Group, CV Karya Mandiri Jaya Abadi, PT Sekawan Artha Niaga

Corrective Action *(filled by organization audited):*

- Continuing the collection/identification of FFB suppliers in stages until all suppliers are recorded
- Socializing SCCS principles to FFB suppliers
- Review and update supplier data on a regular basis which is carried out by Sustainability with PKS

Assessor Evaluation and Conclusion *(filled by auditor):*
Auditor Verification on 02 Juni 2023

The company shows evidence of improvement in the form of:

- Traceability form explaining advanced information on the origin of FFB from direct suppliers for POM which contains information regarding the geolocation of the location of origin of FFB and proof of ownership status or rights/claims to land by growers/farmers. Based on this document, there are 8 FFB suppliers as collectors and all of them have information regarding information regarding the geolocation of the location of origin of FFB and proof of ownership status or rights/claims to land by smallholders/farmers.
- Evidence of socialization regarding SCCS on 5 May 2023 at PT BLP to FFB suppliers / collectors namely CV Karya Bersama, CV Karya Mandiri Jaya, CV Lancar Makmur Bersama, CV Mandiri Bintang Utama, PT Sekawan Arta Niaga, UD Anita Group, CV Arut Permai and CV Pantas Group.

Based on the evidence of the improvements made by the company above, this discrepancy has been fulfilled and will be observed again in the next assessment to ensure the implementation and accuracy of the geolocation.

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

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| Verified by | : Radytio Puspanjana |
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| NCR No. Nomor ketidaksesuaian | : 2022.03 | Issued by Diterbitkan oleh | : Briyogi Shadiwa | | | | | | | | | | | | | | | |
|---|--|---|-------------------|-----------|-----------------|---|----------|--------|-----------|---|------------|------------|--|------------|------------|---|-----------|-----------|
| Date Issued Tanggal diterbitkan | : 1 April 2023 | Time Limit Batas Waktu | : Next ASA | | | | | | | | | | | | | | | |
| NC Grade Grade ketidaksesuaian | : Minor | Date of Closing Tanggal Terpenuhi | : 21 Juni 2023 | | | | | | | | | | | | | | | |
| Standard Ref. & Requirement Acuan Standar & Persyaratan | 3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template | | | | | | | | | | | | | | | | | |
| Evidence observed (filled by auditor): company shows an annual report document using the RSPO Metric Template. However, there are still a number of items that are not in accordance with the supporting reports, including: | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Indicator</th> <th>Metric Template</th> <th>Supporting documents</th> </tr> </thead> <tbody> <tr> <td>HCV Area</td> <td>355 Ha</td> <td>146.57 Ha</td> </tr> <tr> <td>Arjuna Estate Productivity (Jan s/d Des 22)</td> <td>53.874 MT</td> <td>48.449 MT</td> </tr> <tr> <td>Bromo Estate Productivity (Jan s/d Des 22)</td> <td>38.976 MT</td> <td>30.005 MT</td> </tr> <tr> <td>Semeru Estate Productivity (Jan s/d Des 22)</td> <td>48.741 MT</td> <td>46.764 MT</td> </tr> </tbody> </table> | | | | Indicator | Metric Template | Supporting documents | HCV Area | 355 Ha | 146.57 Ha | Arjuna Estate Productivity (Jan s/d Des 22) | 53.874 MT | 48.449 MT | Bromo Estate Productivity (Jan s/d Des 22) | 38.976 MT | 30.005 MT | Semeru Estate Productivity (Jan s/d Des 22) | 48.741 MT | 46.764 MT |
| Indicator | Metric Template | Supporting documents | | | | | | | | | | | | | | | | |
| HCV Area | 355 Ha | 146.57 Ha | | | | | | | | | | | | | | | | |
| Arjuna Estate Productivity (Jan s/d Des 22) | 53.874 MT | 48.449 MT | | | | | | | | | | | | | | | | |
| Bromo Estate Productivity (Jan s/d Des 22) | 38.976 MT | 30.005 MT | | | | | | | | | | | | | | | | |
| Semeru Estate Productivity (Jan s/d Des 22) | 48.741 MT | 46.764 MT | | | | | | | | | | | | | | | | |
| Non-Conformance Description (filled by auditor): The annual report using the RSPO Metric Template does not match the supporting data | | | | | | | | | | | | | | | | | | |
| Root Cause Analysis (filled by organization audited): The company has not established a layered control mechanism (double check) for the synchronization of template metric data and other operational & supporting data, so that the appearance of data between Basic Info and Metric Templates becomes out of sync. | | | | | | | | | | | | | | | | | | |
| Correction (filled by organization audited): Revise the Metric Template data according to Basic Info data | | | | | | | | | | | | | | | | | | |
| Corrective Action (filled by organization audited): Conduct multilevel checks and evaluations (double check) on the validity of the data before submitting it to those who need it. | | | | | | | | | | | | | | | | | | |
| Assessor Evaluation and Conclusion (filled by auditor): Auditor Verifikation on 02 Juni 2023 The company shows evidence of improvement in the form of: <ul style="list-style-type: none"> - RSPO Metrics Template document ver 2.1 EHPM ASA-4 March 23 ver04 dated 250523 which explains the data input in the Metrics Template is as follows: | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Indikator</th> <th>Metric Template</th> <th>Document (File RSPO Jan 2022 - Feb 2023 29032023)_ver03_rev.220523)</th> </tr> </thead> <tbody> <tr> <td>Luas HCV</td> <td>355 ha</td> <td>146.57 Ha</td> </tr> <tr> <td>Produksi Arjuna Estate (Jan s/d Des 22)</td> <td>53.874 ton</td> <td>51.423 ton</td> </tr> <tr> <td>Produksi Bromo Estate (Jan s/d Des 22)</td> <td>39.876 ton</td> <td>37.215 ton</td> </tr> </tbody> </table> | | | | Indikator | Metric Template | Document (File RSPO Jan 2022 - Feb 2023 29032023)_ver03_rev.220523) | Luas HCV | 355 ha | 146.57 Ha | Produksi Arjuna Estate (Jan s/d Des 22) | 53.874 ton | 51.423 ton | Produksi Bromo Estate (Jan s/d Des 22) | 39.876 ton | 37.215 ton | | | |
| Indikator | Metric Template | Document (File RSPO Jan 2022 - Feb 2023 29032023)_ver03_rev.220523) | | | | | | | | | | | | | | | | |
| Luas HCV | 355 ha | 146.57 Ha | | | | | | | | | | | | | | | | |
| Produksi Arjuna Estate (Jan s/d Des 22) | 53.874 ton | 51.423 ton | | | | | | | | | | | | | | | | |
| Produksi Bromo Estate (Jan s/d Des 22) | 39.876 ton | 37.215 ton | | | | | | | | | | | | | | | | |

| Produksi Semeru Estate (Jan s/d Des 22) | 48.741 ton | 47.942 ton | | | | | | | | | | | | | | | |
|--|----------------------|---|-----------|-----------------|---|----------|--------|--------|---|-----------|-----------|--|-----------|-----------|---|-----------|-----------|
| <p>- RSPO basic info document Jan 2022 - Feb 2023 (Bas-29032023)_ver03_rev.220523 which explains information regarding the hectare statement and FFB production data.</p> <p>Based on the proof of improvement submitted in the annual report using the RSPO Metric Template, it does not match the supporting data described in the document submitted to the auditor (RSPO basic info document Jan 2022 - Feb 2023 (Bas-29032023)_ver03_rev.220523), based on this explanation it is concluded that this discrepancy unfulfilled.</p> <p>Auditor Verifikasi on 21 Juni 2023 The company shows evidence of improvement in the form of:</p> <p>- RSPO Metrics Template document ver 2.1 EHPM ASA-4 March 23 ver04_250523 which explains the data input in the Metrics Template is as follows</p> <table border="1"> <thead> <tr> <th>Indicator</th><th>Metric Template</th><th>Supporting Document Basic info (according to proof of repair June 15, 2023)</th></tr> </thead> <tbody> <tr> <td>HCV Area</td><td>355 Ha</td><td>355 Ha</td></tr> <tr> <td>Arjuna Estate Productivity (Jan-Dec 22)</td><td>51.423 MT</td><td>51.423 MT</td></tr> <tr> <td>Bromo Estate Productivity (Jan-Dec 22)</td><td>37.215 MT</td><td>37.215 MT</td></tr> <tr> <td>Semeru Estate Productivity (Jan-Dec 22)</td><td>47.942 MT</td><td>47.942 MT</td></tr> </tbody> </table> <p>Based on the evidence of improvement submitted in the annual report using the RSPO Metric Template, it is in accordance with the supporting data described in the document submitted to the auditor</p> <p><i>Follow up on next audit (filled by auditor):</i></p> | | | Indicator | Metric Template | Supporting Document Basic info (according to proof of repair June 15, 2023) | HCV Area | 355 Ha | 355 Ha | Arjuna Estate Productivity (Jan-Dec 22) | 51.423 MT | 51.423 MT | Bromo Estate Productivity (Jan-Dec 22) | 37.215 MT | 37.215 MT | Semeru Estate Productivity (Jan-Dec 22) | 47.942 MT | 47.942 MT |
| Indicator | Metric Template | Supporting Document Basic info (according to proof of repair June 15, 2023) | | | | | | | | | | | | | | | |
| HCV Area | 355 Ha | 355 Ha | | | | | | | | | | | | | | | |
| Arjuna Estate Productivity (Jan-Dec 22) | 51.423 MT | 51.423 MT | | | | | | | | | | | | | | | |
| Bromo Estate Productivity (Jan-Dec 22) | 37.215 MT | 37.215 MT | | | | | | | | | | | | | | | |
| Semeru Estate Productivity (Jan-Dec 22) | 47.942 MT | 47.942 MT | | | | | | | | | | | | | | | |
| Verified by | : Radytio Puspanjana | | | | | | | | | | | | | | | | |

| | | | |
|-----------------------------|--|-----------------|-------------------|
| NCR No. | : 2022.04 | Issued by | : Briyogi Shadiwa |
| Date Issued | : 1 April 2023 | Time Limit | : 30 June 2023 |
| NC Grade | : Major | Date of Closing | : 21 June 2023 |
| Standard Ref. & Requirement | <p>3.8.12</p> <p>Record keeping</p> <p>i. The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</p> <p>ii. Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p> | | |

- iii. For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.
- iv. For Mass Balance Module, the mill:
- shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.
 - All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
 - The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)

Evidence observed (filled by auditor):

Based on the results of a review of mass balance records for PK products (January 22 to February 23), it was found that there were negative stocks in the third month, with the following details:

| Period | PK Production (MT) | | PK Delivery (MT) | | | Stock |
|----------------------|--------------------|--------------|----------------------|--------------|--------------|----------------|
| | Certified | Uncertified | Certified (Physical) | Other Scheme | Conventional | Certified |
| Stock Opening | | | | | | 987 |
| Jan-22 | 315 | 108 | 350 | - | 392 | 560 |
| Feb-22 | 260 | 98 | - | - | - | 820 |
| Mar-22 | 321 | 124 | 850 | - | - | 292 |
| | | | | | | Positif |
| Apr-22 | 410 | 212 | 100 | - | 315 | 286 |
| May-22 | 466 | 377 | 425 | - | - | 327 |
| Jun-22 | 554 | 553 | 621 | - | - | 259 |
| | | | | | | Positif |
| Jul-22 | 536 | 416 | 654 | - | - | 142 |
| Aug-22 | 584 | 461 | 850 | - | - | (124) |
| Sep-22 | 523 | 365 | 450 | - | - | (51) |
| | | | | | | Negatif |
| Oct-22 | 499 | 394 | 300 | - | - | 147 |
| Nov-22 | 477 | 425 | - | - | - | 625 |
| Dec-22 | 430 | 345 | 850 | - | - | 204 |
| | | | | | | Positif |
| Jan-23 | 415 | 425 | 500 | - | - | 119 |
| Feb-23 | 316 | 337 | 700 | - | - | (265) |
| Total | 6.106 | 4.641 | 6.650 | - | 708 | |

Non-Conformance Description (filled by auditor):

The company has not been able to ensure the balance of all receipts of RSPO certified FFB and shipments of RSPO certified CPO and PK every three months

Root Cause Analysis (filled by organization audited):

- There is a difference in the method of calculating the stock / mass balance for a 3-month period between the auditor and the system commonly used by the Company (c.q Marketing Dept.) resulting in a negative residual stock value (a negative stock occurs).
- Calculation of the company's 3-month stock, there is no negative stock in the mass balance (document attached)

Correction (filled by organization audited):

- Prepare and provide mass balance data based on 3 monthly data based on the company's recording system (c.q Dept. Marketing) (document attached).
- The company records / synchronizes periodically every 3 months (not monthly), where the cut off value of the balancing quantity is in the 3rd month. Therefore, the recording of the company's stock balance has never experienced a minus quota.

Example: initial stock / opening stock plus total production 3 months ago minus total shipments 3 months will be equal to end stock at the end of the 3rd month

Formulas:

CPO/PK end stock = (Opening stock + 3 months total production) – 3 months total delivery

Corrective Action (filled by organization audited):

Ensuring checks are carried out in stages (double check) by Mill and Dept. Marketing related to 3-month mass balance to prevent negative stock (minus quota)

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verifikation on 02 Juni 2023

The company shows evidence of improvement in the form of an RSPO mass balance Jan 2022 - Feb 2023 (Bas 29032023) ver03_rev.220523 which explains the mass balance for CSPK as follows:

| Period | PK Production (MT) | | PK Delivery (MT) | | Stock | |
|---------------|--------------------|-------------|------------------|-------------|-----------|-------------|
| | Certified | Uncertified | Certified | Uncertified | Certified | Uncertified |
| Stock Opening | | | | | 987 | |
| Jan-22 | 315 | 108 | 350 | 500 | 952 | (392) |
| Feb-22 | 260 | 98 | - | - | 1,212 | (294) |
| Mar-22 | 321 | 124 | 850 | - | 684 | (170) |
| Total | 897 | 330 | 1,200 | 500 | 684 | (170) |
| Bal RSPO | | | | | 514 | |
| Apr-22 | 410 | 212 | 100 | 750 | 514 | (538) |
| Mei-22 | 466 | 377 | 425 | - | 554 | (161) |
| Jun-22 | 554 | 553 | 621 | - | 487 | 393 |
| Total | 1,430 | 1,143 | 1,146 | 750 | 797 | 393 |
| Bal RSPO | | | | | 797 | 393 |
| Jul-22 | 536 | 416 | 654 | 489 | 370 | 320 |
| Agu-22 | 584 | 461 | 850 | 781 | 104 | 1 |
| Sep-22 | 523 | 365 | 450 | 576 | 177 | (211) |
| Total | 1,643 | 1,242 | 1,954 | 1,846 | 487 | (211) |
| Bal RSPO | | | | | 276 | |
| Okt-22 | 499 | 394 | 300 | 550 | 375 | (366) |
| Nov-22 | 477 | 425 | - | 400 | 852 | (342) |
| Des-22 | 430 | 345 | 850 | - | 432 | 3 |
| Total | 1,405 | 1,164 | 1,150 | 950 | 531 | 214 |
| Bal RSPO | | | | | 531 | 214 |

| | | | | | | |
|--------|-----|-----|-------|-----|------|-----|
| Jan-23 | 415 | 425 | 500 | - | 346 | 428 |
| Feb-23 | 316 | 337 | 700 | 650 | (37) | 115 |
| Total | 731 | 762 | 1,200 | 650 | 62 | 326 |

- If there is a change in despatch, it means that you need to show proof of confirmation from the RSPO regarding the change in the transaction that was informed to Palmtrace.
 - Please ensure that the April 2022 opening stock is the end of March 2022 stock (both certified and uncertified) and please ensure that PK production (Certified & Uncertified) is in basic info (production realization sheet) with CSPK (Certified & Uncertified) mass balance.

Based on the explanation above, it is concluded that this discrepancy has not been fulfilled

Auditor Verification on 21 Juni 2023

The company shows evidence of improvement in the form of revised Mass Balance Data, which is the April 2022 opening stock, which is the end of March 2022 stock (both certified and uncertified) and PK production (Certified & Uncertified) is in accordance with the CSPK (Certified & Uncertified) mass balance.

Based on the explanation above, it is concluded that this discrepancy has been fulfilled

Follow up on next audit (filled by auditor):

Verified by : Radytio Puspanjana

| | | | | | |
|---|----------|--|-----------------|------------|------------------|
| NCR No. | : | 2023.05 | Issued by | : | Firda Tarunajaya |
| Date Issued | : | 01 April 2023 | Time Limit | : | Next ASA |
| NC Grade | : | Minor | Date of Closing | : | 24 June 2023 |
| Standard Ref. & Requirement | : | 4.2.3 | | | |
| Acuan Standar & Persyaratan | : | The unit of certification keeps parties informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. | | | |
| Evidence observed (filled by auditor): | | | | | |
| The company shows the recapitulation of stage 1 employee severance payments under the category of severance pay due to prolonged illness of employees and retirement severance pay. During 2022 there are 12 employees who have completed their term of service at PT. BLP, but there are 3 employees whose severance payments have not been completed. The data is as follows: | | | | | |
| NO | NAME | TYPE OF PAYMENT | AMOUNT | PAID | UNPAID |
| 1 | Mujianto | Pension Severance | 63,852,274 | 20,000,000 | 43,852,274 |
| 2 | Riyanto | Pension Severance | 70,006,710 | 40,000,000 | 30,006,710 |
| 3 | Risyanto | Pension Severance | 66,929,492 | 40,000,000 | 26,929,492 |

The company has a collective agreement with the 3 employees above to complete the employment relationship and pay pension severance by 3 stages of payment. The joint cooperation agreements are as follows:

- Mujianto, Maintenance Employee
There is a joint agreement that was carried out on September 23, 2022 between the Head of Kalimantan Tengah HCCS PT. BLP with Mujianto KTP no 3307071107640002 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first stage will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000, and third phase in December 2022 Rp. 23,852,274. However, until the audit is completed, there has been no realization of second phase and third phase payments
- Riyanto, Loading and Unloading Employee
There is a joint agreement that was carried out on September 23, 2022 between the Head of Kalimantan Tengah HCCS PT. BLP with Mujianto KTP no 6201012206630001 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first stage will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000, and third phase in December 2022 Rp. 30,006,710. However, until the audit is completed, there has been no realization of third phase payments
- Risyanto, Maintenance Employee
There is a joint agreement that was carried out on September 23, 2022 between the Head of Kalimantan Tengah HCCS PT. BLP with Mujianto KTP no 6201011708650001 with an agreement that payment of final rights settlement money will be carried out in 3 stages, namely the first phase will be carried out in October 2022 Rp. 20,000,000, Second phase November 2022 Rp. 20,000,000 (27 March 2023), and third phase 3 in December 2022 Rp. 26,929,492. However, until the audit is completed, there has been no realization of third phase payments

Based on an interview with one of the pension workers with the initial R, it is known that there is an agreement that pension fund payments will be paid in 3 stages, namely in October, November and December 2022, but until now the person concerned has not received payment of the pension fund from the company which should have been paid since December 2022. The employee representative has reported this to the company but there is no clear time frame for completing the payment of the remaining severance payment

Non-Conformance Description (filled by auditor):

The company does not yet have a measurable and agreed time frame for completing the remaining unpaid severance pay to employees

Root Cause Analysis (filled by organization audited):

Limited cash flow during the 2021-2022 period requires companies to make priority scale arrangements, causing severance pay / pension rights for some employees to be late and not in accordance with what was previously agreed upon

Correction (filled by organization audited):

- The company records all complaints entered in the Complaints and Complaints Book, in which the completion time and status of each resolution have been determined.
 - Appendix 2023.05_a. Recapitulation of Employee Complaints & Responses _ARJE
 - Appendix 2023.05_b. Recapitulation of Employee Complaints & Responses _BRME
 - Appendix 2023.05_c. Recapitulation of Employee Complaints & Responses _SMRE
 - Appendix 2023.05_d. Recapitulation of Employee Complaints & Responses _EHPM
 - Appendix 2023.05.e. Minutes of Follow Up Employee Complaint Handling

- Make payment of the remaining payment of pension rights a./n. Mujiyanto and Risyanto (maintenance krywn) and Riyanto (loading and unloading krywn) as agreed

Corrective Action (filled by organization audited):

- Under tight cash flow conditions, payment obligations that have been agreed/agreed in writing will be placed on the top priority scale. If the cash flow is estimated to be insufficient to cover all priority obligations, then negotiations will be held again to reach a new scheduling agreement
- The company has recapitulated complaints submitted by employees in the complaint logbook along with responses and time for completion

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification on 21 Mei 2023

The unit of certification has carried out an analysis of the root causes, corrective actions and preventive actions. Analysis of root causes and corrective actions are acceptable, but there are still a number of notes and auditor questions that must be explained further by the Unit of Certification in the column Corrective Actions.

In addition, the unit of certification has shown evidence of improvement, as follows:

- Severance payment on behalf of Mujiyanto
 - First phase pension payment on December 16, 2022 Rp. 20,000,000
 - Second phase pension payment on March 27, 2023 Rp. 20,000,000
 - Third phase pension payment on May 17, 2023 Rp. 23,852,274
- Severance payment on behalf of Risyanto
 - First phase pension payment on December 16, 2022 Rp. 20,000,000
 - Second phase pension payment on March 27, 2023 Rp. 20,000,000
 - Third phase pension payment on May 16, 2023 Rp. 26,929,492
- Severance payment on behalf of Riyanto
 - First phase pension payment on December 16, 2022 Rp. 20,000,000
 - Second phase pension payment on March 27, 2023 Rp. 20,000,000
 - Third phase pension payment on May 16, 2023 Rp. 30,006,710

The postponement of severance payments is one of the many employee complaints. The unit of certification needs to show the progress of identification, monitoring and evaluation related to the implementation of procedures and follow-up on overall employee complaints. In addition, the unit of certification also needs to send evidence of other supporting documents as a remedy for non-compliance or as a corrective action taken.

Based on the description above, the non-compliance with this indicator is stated to have not been fulfilled until all evidence of improvement and implementation can be submitted in a documentary manner to the Auditor team.

Auditor Verification June 24, 2023

The company has shown the progress of identification, monitoring and evaluation related to the implementation of procedures and follow-up on employee complaints as a whole. The company has also shown a recap of employee complaints and their responses and solutions for all units, namely ARJE, BRME, SMRE and EHPM.

Based on the description above, the discrepancy in this indicator is declared fulfilled and the consistency of improvement will be observed again in the next assessment.

Follow up on next audit (filled by auditor):

| | | |
|--------------------|---|-------------------------|
| Verified by | : | Firda Tarunajaya |
|--------------------|---|-------------------------|

| | | | |
|---|--|------------------------|---------------------------|
| NCR No. | : 2023.06 | Issued by | : Firda Tarunajaya |
| Date Issued | : 01 April 2023 | Time Limit | : 30 June 2023 |
| NC Grade | : Major (Recurring) | Date of Closing | : 5 April 2023 |
| Standard Ref. & Requirement | 6.2.2 Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. | | |
| Evidence observed (filled by auditor): <ol style="list-style-type: none"> 1. SOP-HC-006 Concerning Employee Recruitment which was approved by the CEO of PT EHP on 11 April 2018. At point G3.1.2.6, the employee recruitment process is explained, including signing a Work Agreement which informs prospective employees who have successfully taken a health test to sign a letter Work Agreement according to a predetermined schedule. 2. The company has not been able to show proof of payroll for the employee with the initials TB who replaced his wife due to pregnancy doing wheelbarrow work at L30 Division 2 Bromo Estate 3. The company showed a pregnancy certificate, resignation letter and statement letter with the initials BA that the woman concerned was pregnant and did not notify the company that her husband was replacing her at work on March 28, 2023. 4. 1 Employees with the initials SL Division 2 Semeru Estate claim to work for the company but have never been bound by a work agreement. | | | |
| Non-Conformance Description (filled by auditor): The company does not yet have sufficient evidence that all employees have work agreements and related documents that detail wages and other work conditions. | | | |
| Root Cause Analysis (filled by organization audited): The company provides work agreement letters to workers but there are some workers who are missed, especially if the group of workers comes in large numbers, so it takes time to make work agreement letters. It also often happens that some workers have forgotten if they ever signed the work agreement letters. | | | |
| Correction (filled by organization audited): <ul style="list-style-type: none"> • Carry out a complete renewal of the work agreement letters form for uniformity of all contract employees • Give and sign work agreement letters to all employees • Give and sign work agreement letters to employees a./n. Sebastianus London (Division 2-Semeru Estate) • Creating a log book of work agreement letters handover monitoring (Note: attached work agreement letters submission/signing for estate and mill employees, and sample work agreement letters) | | | |
| Corrective Action (filled by organization audited): The PC (plantation controller) issues an IM (internal memo) which regulates the following: <ul style="list-style-type: none"> • That every new worker must sign an work agreement letters before starting to be hired • Contract employees may not be employed for 21 days in 3 consecutive months (if this occurs, the employee must be appointed as permanent workers (Note: attached Internal Memo 18/BLP/IM-Kalteng/IV/2023). | | | |
| Assessor Evaluation and Conclusion (filled by auditor): | | | |

Auditor Verification on 6 April 2023

The company has carried out root cause analysis, corrections and corrective actions, and has been accepted by the Auditor. In addition, the Company has shown evidence of improvement in the form of:

- Minutes of work agreement letters handover for all employees of Arjuna Estate TMK 1997 to 2023
- Minutes of the handover of work agreement letters employees of Semeru Estate
- Minutes of EHPM employee work agreement letters handover
- Statement letter a.n SL at Semeru Estate dated 03 April 2023 stating work since 06 May 2022
- Minutes of handover of work agreement letters employees, a.n SL, Semeru Estate April 3, 2023
- Internal Memo No. 18/BLP/IM-KALTENG/IV/2023 April 1, 2023 from Central Kalimantan RC to Central Kalimantan Area Controllers 1, 2 and 3, regarding work and KHL acceptance that all contract employees are made a Work Agreement, no later than 1 day before work or together with administrative settlement. The company in this case is represented by the Estate Manager/Mill Manager/HCCS Manager together with contract employees signing the work agreement letters, made in 2 (two) copies and one of which is handed over to the employee.

Based on the evidence of the improvements made by the company above, this discrepancy has been fulfilled and will be observed again in the next assessment to ensure implementation and consistency.

Follow up on next audit (filled by auditor):

| | |
|--|--------------------|
| Verified by Diverifikasi oleh | : Firda Tarunajaya |
|--|--------------------|

| | | | |
|---|---|-----------------|--------------------|
| NCR No. | : 2023.07 | Issued by | : Firda Tarunajaya |
| Date Issued | : 01 April 2023 | Time Limit | : 30 June 2023 |
| NC Grade | : Major (Recurring) | Date of Closing | : 5 April 2023 |
| Standard Ref. & Requirement | 6.2.3 There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements. | | |
| Evidence observed (filled by auditor): | | | |
| <div>1. Wages policies, including those contained in PT. EHP which was approved by the Main Director on June 11 2018, at point 7.5 that EHP will continue to actively engage its employees to ensure that their needs such as wages, housing and access to services are met and create a harmonious and prosperous work environment</div> <div>2. Job descriptions for generator operators and water operators including supervising and controlling the operation of generators, ensuring administration meets company operating standards, and ensuring cleanliness, tidiness, safety and work environment</div> <div>3. Government Regulation 35 regarding work agreements for a certain time, outsourcing, working time and rest time, and termination of employment, in article 31 related to overtime pay</div> <div>4. Based on the interview results, information was obtained that generator operators at Semeru Estate and Arjuna Estate receive a fixed premium of Rp. 600,000/month as compensation for working 6.5 hours on Sundays, with starting to turn on the generator at 03.30 – 05.30 (2 Hours) and 17.30 – 22.00 (4.5 Hours).</div> <div>5. Based on this explanation, the Auditor simulates the value of 6.5 hours of overtime every Sunday as follows:</div> | | | |

| Minimum Wage | Hourly wages (Min. Wage/173) | Overtime (Hours) | number of Sundays per month | Total Overtime Per Month |
|---------------|------------------------------------|------------------|--------------------------------|-----------------------------|
| Rp. 3,352,983 | Rp. 19,381 | 6,5 | 4 | Rp. 1,007,833 |

So that the overtime is Rp. 1,007,833/month and this overtime is greater than the premium value received by the generator operator.

Non-Conformance Description (filled by auditor):
The company has not been able to show evidence that payment of wages is in accordance with applicable legal provisions and regulations.

Root Cause Analysis (filled by organization audited):
There is a perception that generator operating hours are only 6.5 hours/day so a generator operator only works less than 40 hours/week, and a fixed/monthly premium of IDR 600,000/month which is lower than the overtime calculation of 4 days a week is as compensation for operator working hours less than 40 hours/week on normal days.

Correction (filled by organization audited):

- Evaluation and simulation of overtime pay for generator operators according to applicable regulations (attached).
- Eliminate the fixed premium system and return to the normal working hour wage system and overtime wages in accordance with laws and regulations (IM attached).
- Repayment in cash for the difference in wages between the value of the premium and overtime wages that should be received by the generator operator (proof of payment attached).

Corrective Action (filled by organization audited):
Internal Memorandum of work hours and overtime wages for generator operators starting April 1, 2023 (attached).

Assessor Evaluation and Conclusion (filled by auditor):
Auditor verification dated 6 April 2023
The company has carried out a root cause analysis, correction and corrective action and is acceptable to the Auditor. In addition, the Company shows evidence of improvement in the form of:

- Internal Memo No. 011/138/BLP-HCCS/IM/IV/2023 April 5, 2023 from the Head of HCCS & Head Estate Department, to restore normal working hours, Sundays and national holidays for the position of Generator and Water Pump Operator starting April 1, 2023 in accordance with the provisions of the law in force.
- Internal Memo from Central Kalimantan AC 1 dated 03 April 2023, regarding the results of calculating overtime wages for Electric Genset and Water Pump Operators on Sundays and national holidays for the period January to March 2023, as a basis for payment of shortages or differences in wages for Electric Genset and Pump Operators Water.
- Internal Memo No. 012/139/BLP-HCCS/IM/IV/2023 dated 05 April 2023 made by the Head of HCCS & Head Estate Department, regarding the payment of the difference in the position allowance for generator operators and estate water pumps which will be paid in cash.
- Proof of transfer no. 202304050088732655 Premium for Electric/Water Machine Operator to Mr. AB dated 05 April 2023 in the amount of Rp. 2,071,603.
- Proof of transfer no. 202304050088732651 Premium for Electric/Water Machine Operator to Mr. M on 05 April 2023 in the amount of Rp. 2,083,643.
- Proof of transfer no. 202304050088732647 Premium for Electric/Water Machine Operator to Mr. N on April 5, 2023 in the amount of Rp. 1,979,295.

- Proof of transfer no. 202304050088732652 Premium for Electric/Water Machine Operator to Mr. P on April 5, 2023 in the amount of Rp. 2,031,469.
- Proof of transfer no. 202304050088732654 Premium for Electric/Water Machine Operator to Mr. R on April 5, 2023 in the amount of Rp. 2,161,904.
- Proof of transfer no. 202304050088732649 Premium for Electric/Water Machine Operator to Mr. W on April 5, 2023 in the amount of Rp. 1,979,295.

Based on the evidence of improvements made by the company above, this discrepancy has been fulfilled and will be observed. Return to the next assessment to ensure implementation and consistency.

Follow up on next audit (filled by auditor):

Verified by : **Firda Tarunajaya**

| | | | |
|--|--|-----------------|-------------------|
| NCR No. | : 2023.08 | Issued by | : Briyogi Shadiwa |
| Date Issued | : 1 April 2023 | Time Limit | : 30 Juni 2023 |
| NC Grade | : Major | Date of Closing | : 19 Juni 2023 |
| Standard Ref. & Requirement | 6.7.3 Workers use appropriate Personal Protective Equipment (PPE), which is provided free of charge to all workers in 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. | | |
| Evidence observed (filled by auditor): The company has shown SOP-OTH-3-023 Version 1.1 regarding personal protective equipment which is effective from 7 February 2023. In section 2.1 regarding personal protective equipment several things are explained, including: | | | |
| <ul style="list-style-type: none">- The company will provide Personal Protective Equipment (PPE) for employees according to the type of work.- Every employee must wear PPE properly and correctly.- The Sustainability Assistant is responsible for distributing PPE to each employee- The company will distribute PPE through their respective Estates and Mills which will be assisted with recording by the Sustainability Assistant and coordinated with the Accounting. The company will determine the provision of PPE 1 (one) year, 6 (six) months, and 3 (three) months depending on the type of PPE.- Workers are allowed to ask for PPE back before the distribution of PPE according to the time of distribution by showing the PPE that has been damaged, and an exchange is made.- The company does not replace PPE lost by workers.- Unit Manager must ensure that employees working in their work unit are using PPE.- PPE must be used if exposure to a hazard in the workplace has an impact on humans, of course with HIRADC considerations in each work activity.- Guests and contractors are also required to wear PPE according to the type of hazard.- Every area or work that has a potential hazard must have a sign warning that it is mandatory to use PPE.- PPE can be broadly categorized as follows: | | | |

- Eye and face protective equipment;
 - head protection;
 - ear protection;
 - Respiratory protective equipment; And
 - Body protection equipment.
- The type of PPE provided to employees must be in accordance with the applicable PPE matrix table [see Appendix 1: PPE Matrix].
 - The Sustainability Assistant is required to provide training on the use, maintenance and storage of PPE.
 - The Sustainability Assistant will inspect the condition of PPE, and if PPE is found that is not suitable for use, it must be reported immediately to the Unit Manager.

The company has shown PPE handover documents for workers. The examples are:

1. Handover of PPE in the form of boots and helmets to 9 harvest workers in SMRE Division 1 on January 21, 2023.
2. Handover of PPE in the form of boots, helmets and goggles to 5 harvest workers in Division 2 BRME on March 10, 2023.
3. Handover of PPE in the form of boots, glasses, cloth gloves, and helmets to 16 new employees in Division 1 ARJE on March 9, 2023.
4. Handover of PPE in the form of aprons, glasses, gloves and masks to 45 spray and fertilizer workers at BRME on January 19, 2023.
5. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 9 spray and fertilizer workers at SMRE on January 17, 2023.
6. Handover of PPE in the form of aprons, goggles, rubber gloves and masks to 26 spray workers at ARJE on January 19 2023 (division 1, division 3 and division 4).
7. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 29 fertilizer workers at ARJE on January 24, 2023.
8. Handover of PPE in the form of aprons, glasses, rubber gloves, and masks to 19 fertilizer workers at ARJE on March 8, 2023.
9. Minutes of giving PPE in the form of safety shoes to 99 workers at PT EHP PKS on March 22, 2023.
10. Minutes of giving PPE in the form of safety shoes to 50 workers at PT EHP PKS on 13 February 2023.

The results of field visits at PKS found that there were workers using PPE that was neither standard nor in damaged condition. The details are:

Mill

- 2 FFB sorting workers wore boots that should have been Safety Shoes
- 1 Loading Ramp Operator wears boots which should be Safety Shoes
- 2 boiler operators wearing damaged safety shoes.
- 1 press operator who uses boots which should be Safety Shoes
- WWTP officers who use boots, gloves and masks that they bought themselves.
- PAP workers who do not use the gloves and boots they bought themselves
- LA Officers and LA Overseers who use self-purchased boots.
- During absences, there are 5 workers who use boot PPE that they bought themselves, consisting of a boiler helper, loading ramp helper, sterilizer helper, press station helper and kernel station

Based on interviews with workers, it is known that workers use PPE that is not standard because PPE is not yet available and waiting for the 2023 ration period so that workers buy their own PPE. Based on the results of the field visit, there was no PPE stock at the PKS Warehouse.

The results of field visits and interviews with workers at ARJE, SMRE, BRME found that there were several workers who used PPE that they purchased themselves, namely:

- There are loose harvesting and quoting workers in block L30 BRME who wear boots they bought themselves
- There are harvest workers who do not use PPE in the form of helmets and who use boots from harvesters who have returned to block HE001 SMRE
- There are fertilizer workers in Block E6C-E6B ARJE who use ordinary PPE masks (not KN-95 masks).

Non-Conformance Description (filled by auditor):

The company has not been able to show sufficient evidence that workers use appropriate Personal Protective Equipment (PPE), and it is provided free of charge to all workers in the workplace, as protection in all operations that have potential hazards and in accordance with PPE procedures owned by the company.

Root Cause Analysis (filled by organization audited):

The company has distributed PPE to employees but during the audit there were several employees whose PPE was damaged and the stock in the warehouse had run out and was still in the process of being procured by the Head Office.

The lack of PPE stock is also caused by the large number of employees who come in and out, so that the existing stock is not proportional to the intensity of distribution to new employees.

Correction (filled by organization audited):

- Proper distribution of PPE to employees who don't have it or whose PPE is damaged/unsuitable for use.
- Lifetime evaluation and types of PPE according to HIRADC.

Corrective Action (filled by organization audited):

- Making a PPE distribution timeline program.
- Periodic inspections in the field to monitor the use of PPE by employees.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, June 2, 2023

Observed evidence:

1. PPE handover documents for each estate at PT Bumilanggeng Perdanatrada, for example:
 - Minutes of handover of PPE Division IV Arjuna Estate on May 6 2023 in the form of 130 units of boots, 13 pcs of goggles, 17 pcs of masks, 45 pcs of cloth gloves, 17 pcs of rubber gloves. The minutes of the event have been completed with the receipt and signature of the PPE recipient.
 - Minutes of handover of PPE Division III Bromo Estate on 10 May 2023 in the form of 146 boots, 13 pcs of goggles, 13 pcs of masks, 56 pcs of cloth gloves, 13 pcs of rubber gloves. The minutes of the event have been completed with the receipt and signature of the PPE recipient.
 - Minutes of handover of PPE Division I Semeru Estate on 11 May 2023 in the form of 126 units of boots, 10 pcs of goggles, 12 pcs of masks, 37 pcs of cloth gloves, 12 pcs of rubber gloves. The minutes of the event have been completed with the receipt and signature of the PPE recipient.
2. Evaluation document for the type of work, type of PPE and time for replacing PPE made by the Assistant for Sustainability. the document explains the time period for replacing PPE according to the type of work, for example:
 - N95 masks for fertilizer employees and spray employees with a replacement period every 6 months.
 - Boots for harvesting employees, fertilizer and spray with a replacement period once a year.
 - Safety shoes for boiler operators, sterilizer operators, engine room operators with a replacement period once a year.
 - Ear muffs for engine room operators, nut & kernel operators, and WTP operators with a replacement period of once a year.
 - Minutes of OSH socialization documents to all workers at the Estate and POM, for example:

- Minutes of the report on the Occupational Safety and Health Socialization Training at the Arjuna Estate which was held on May 5 – 6 2023. The materials in the socialization are K3 and environmental policies, the dangers of risk funds for activities on the Estate, MSDS, labels, B3 symbols, control efforts hazards, types and functions of PPE (including mechanisms for replacing PPE), handling and reporting of emergency conditions.
- Minutes of the report on the Occupational Safety and Health Socialization Training at the Bromo Estate which was held on May 10 and 12 2023. The materials in the socialization are OHS and environmental policies, the dangers of risk funds for activities on the Estate, MSDS, labels, B3 symbols, control efforts hazards, types and functions of PPE (including mechanisms for replacing PPE), handling and reporting of emergency conditions.
- Minutes of the report on the Occupational Safety and Health Socialization Training at Bromo Estate which was held on May 8, 9 and 11 2023. The materials in the socialization were K3 and environmental policies, the dangers of risk funds for activities on the Estate, MSDS, labels, B3 symbols, efforts to control hazards, types and functions of PPE (including mechanisms for replacing PPE), handling and reporting of emergency conditions. Minutes of the report on the Occupational Safety and Health Socialization Training at PKS EHP which was held on May 8 2023. The material in the socialization is OHS and environmental policies, the dangers of risk funds for activities in Estate, MSDS, labels, B3 symbols, efforts to control hazards, types and the function of PPE (including mechanisms for replacing PPE), handling and reporting emergency conditions.

However, there is no evidence of providing PPE to workers who do not yet have PPE or are in damaged/unsuitable PPE condition.

Based on the verification of root cause analysis, corrective action, corrective action and evidence of improvement that has been shown by the company, the non-conformity is declared not fulfilled. Please respond to the auditor's response and complete it with supporting evidence.

Auditee/Company Response 15/06/23:

1. Attached is proof of delivery/replacement of PPE to workers (all of which are included in the BA of PPE Handover that has been carried out by the company, because the delivery of PPE is carried out in its entirety to all employees, both new and replacement.
2. Excel recap showing a list of PPE submissions with information on employee names, positions, types of PPE, and delivery dates.

Verification, June 19, 2023

Observed evidence:

Minutes of giving PPE and replacing PPE to EHP Mill employees, namely

1. Minutes of the handover of PPE in the form of Safety Shoes to EHP Mill employees on February 14, 2023 with a total of 50 employees.
2. Minutes of the handover of PPE in the form of Safety Shoes to EHP Mill employees on April 25 2023 with a total of 59 employees.
3. Minutes of handover of PPE in the form of carbon masks to EHP Mill employees on April 25 2023 with a total of 32 employees.
4. Minutes of handover of PPE in the form of Ear Plugs to EHP Mill employees on May 8 2023 with a total of 7 employees.
5. Minutes of handover of PPE in the form of carbon masks to EHP Mill employees on April 25 2023 with a total of 32 employees.
6. Minutes of PPE replacement in the form of Safety Shoes for 1 EHP Mill sorting employee on May 12, 2023

7. Minutes of PPE replacement in the form of Safety Shoes for 1 EHP Mill sorting employee on May 26, 2023.
8. Minutes of PPE replacement in the form of Safety Shoes for 1 EHP Mill Kernel Station operator on May 26, 2023.
9. Minutes of PPE replacement in the form of Safety Shoes for 1 operator of the EHP Mill Clarification Station on May 27, 2023.

Based on the verification results of the root cause analysis, corrective actions, and preventive actions as well as the evidence that has been submitted, non-conformities are declared fulfilled. **Regarding the implementation and consistency of corrective actions that have been submitted, they will be verified again in the next assessment.**

Follow up on next audit (filled by auditor):

Verified by : **Johannes Pandiangan**

| | | | |
|--|---|---|-------------------|
| NCR No. | : 2023.09 | Issued by | : Briyogi Shadiwa |
| Date Issued | : 1 April 2023 | Time Limit | : Next ASA |
| NC Grade | : Minor | Date of Closing Tanggal Terpenuhi | : 03 July 2023 |
| Standard Ref. & Requirement | 6.7.4 All workers are provided with health services and are protected by occupational accident insurance. Expenses arising from work incidents, resulting in injury or illness, are borne in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection. | | |
| Evidence observed (filled by auditor): <ul style="list-style-type: none">- The company has Company Regulations (PP) which have been ratified based on the Decree of the director general for the development of industrial relations and social security for workers No. Kep. 4/HI.00.00/00.0000.220607019/B/X/2023 Regarding Ratification of PT. BLP, Tbk January 10, 2023 a.n Director General Director of Labor Relations and Wages. This PP is valid from January 10, 2023 to September 9, 2025 and has been contained in the Company Regulation Ratification Register Book at the Ministry of Manpower No. 220607019. The PP contains several articles related to health insurance and employment, including:<ul style="list-style-type: none">• Article 3, the term Employee is all workers/laborers who are legally bound in a working relationship with the company and receive wages.• Article 20, the Employment BPJS Program held by the company includes:<ul style="list-style-type: none">a. Accident insuranceb. Life insurancec. Pension pland. Pension Guaranteee. Job Loss Guarantee• Article 21, Health care guarantee, that:<ul style="list-style-type: none">1. The company includes employees and their families as health social security participants referring to RI Law no. 24 of 2011 concerning BPJS and other implementing regulations.2. In accordance with the laws and regulations concerning health insurance, employees who meet the requirements based on applicable regulations are included as participants in the health insurance | | | |

program. If there is a failure in registering employee participation in the Health Insurance program because there are administrative requirements and/or other requirements for Electronic ID-Card (E-KTP), family card (KK) which cannot be fulfilled by the employee concerned, then this is not a form of company non-compliance and all risks that arise for employees will be his responsibility.

- The company has shown a document listing employees who have taken part in *BPJS* (National Insurance) membership for the February 2023 period which is contained in the attachment to Employment insurance payments. Based on these documents it is known that the number of *BPJS* Ketenagakerjaan membership is:
 - PT BLP : 1862 Participants (Number of employees 1938 people)
 - EHP Mill: 123 participants (Total 128 people)
 - Proof of payment is in accordance with the Insurance payment attachment. Payments are made via bank transfer (BNI and Mandiri). However, the number of participants paid has not been in accordance with the number of employees owned.
 - The company has also shown proof of health insurance payment documents for PT BLP for the February 2023 period with a total membership payment of 1477 workers. However, the company has not been able to show proof of health insurance payments for PT EHP.

Description of non-compliance (completed by auditor):

The company has not been able to show sufficient evidence that all workers are provided with health services and are protected by work accident insurance in accordance with the applicable PP.

Root Cause Analysis (filled by organization audited):

- There are 5 employees with BHL status at the EHP mill who have not been registered as Employment Insurance participants because there is a problem with the BHL employee Participant Registration Number PT. EHP is blocked.
- For PT. BLP has a difference in the number of employees registered with Employment insurance because there are new employees whose working period is less than 1 month, and voluntarily leave their jobs/resign without notification (run away), so that it is difficult for HCCS to register employees who have left the plantation.
- The company does not yet have a monitoring system that can ensure that the number of employees, the number of Employment Insurance and Health Insurance members can be synchronized or the same.

Auditors Response :

- What about the system for updating the list of employees participating in the National Insurance (*BPJS*) program, both Employment and Health? Who is responsible for this?
- How is the company identification of the difference in the number of National Insurance (*BPJS*) membership? Is the difference between the total payment of National Insurance (*BPJS*) contributions and the absolute number of employees due to workers who resign unilaterally? Who is the PIC responsible for this?

Correction (filled by organization audited):

- Register employees who have not registered with National Insurance (*BPJS*).
- Make National Insurance (*BPJS*) contribution payments and provide proof of payment (according to the existing employee list)
- Make payments and provide proof of payment for the Health Insurance period Feb.2023 for PT.EHP Mill

Auditors' response

- Please update/add proof of fix after updating root cause analysis.

Auditee Response 27 June 2023:

PT EHP has registered all employees of PT. EHP (126 people) at Employment Insurance in April 2023 where there were an additional 4 Daily worker on behalf of Amir Hadi Saputra, Safiin, Setyo Rini and Rusdi Rumaidi (invoice

documents and proof of payment), while 1 Daily Worker on behalf of Ani Handayani resigned on 7 April 2023.

- Appendix 2023.09_a. Employment Insurance Data & Status of PT EHP_March 2023.
- Attachment 2023.09_b. Employment Insurance _April bill 2023_f2a – EHPM.
- Attachment 2023.09_c. Proof of payment for BPJS TK_26 June 2023_PT EHP_(March - April - May 2023).

PT BLP has registered all of its employees in the Employment Insurance in March 2023 according to the existing workforce of 1,957 workers (workforce list documents, Employment Insurance invoices and payments).

- Appendix 2023.09_d. Employment Insurance Data & Status of PT BLP_March 2023.
- Attachment 2023.09_e. Employment Insurance _PT BLP bill_March 2023.
- Attachment 2023.09_f. Proof of payment for Employment Insurance _26 June 2023_PT BLP_April 2023 & payment recap.

The company's HCCS staff are responsible for monitoring and periodically updating employee data including National Insurance (*BPJS*) membership status (Employment and health) at the beginning of each month through the PMS system which is then updated to the National Insurance (*BPJS*) e-Dabu system on the 15th of each month. From the monitoring results of PT BLP's employee data for March 2023, 1,487 employees have been registered and 470 employees have not been registered, with details of 230 people registered as beneficiary of contributions (PBI) and 240 people unable to be registered due to problems with ID Card. For employees who are registered as beneficiary of contributions (PBI) who are not willing to give up their rights as beneficiary of contributions (PBI) holders, and for employees who are identified as having problematic of IDE Card, they have been advised to complete them first so they can be registered with Health Insurance.

- Appendix 2023.09_d. Employment Insurance Data & Status of PT BLP_March 2023.

Corrective Action (filled by organization audited):

- Register new employees no later than 1 day before.
- Preparation of Internal Memos related to National Insurance registration.

Auditors' response :

Please update/add corrective actions after updating root cause analysis and corrective actions.

Assessor Evaluation and Conclusion (filled by auditor):

Verification, June 2, 2023

Observed evidence:

1. Internal Memo Number 26/BLP/IM-AC KALTENG 1/V/2023 dated 10 May 2023 from the Central Kalimantan Area Controller 1 to HCCS, Estate Manager, Mill Manager and Head of CDP regarding membership and payment of BPJS Employment and BPJS Health contributions. The Internal Memo explains that all parties related to the management of membership and payment of BPJS contributions are to ensure the following:
2. Synchronize the list of employees with the number of participants and Employment and Health Insurance payments.
3. All working employees must be registered as participants in the Employment and Health Insurance.
4. For employees who have registered as Health Insurance participants through recipient of state contribution assistance, regional contribution assistance recipients or other types of membership, they are advised to change their Health Insurance membership to Health Insurance Wage Recipient Workers. And if the said employee is not willing to change his membership status, HCCS is required to ask for a copy of the Health Insurance card concerned or no. BPJS PBI membership.
5. EM, MM, HCCS and CDP are required to ensure monthly closing is carried out according to the specified date so that there are no problems with the payment of Employment and Health Insurance
6. Proof of payment for Health Insurance PT BW Plantation (PT EHP) through Bank Negara Indonesia dated March 20 2023 with transaction reference number 202303203185463668 and April 28 2023 with transaction reference number 20230428102012796724. However, the proof of payment is not accompanied by the name

of the participant whose premium was paid and the amount of the fee paid. Reconciliation data for PT EHP's Health Insurance for the period February and March 2023 with the number of participants paid by Health Insurance totaling 129 participants. From the verification of proof of payment documents and reconciliation data it is shown that there is a discrepancy/difference in the amount of the bill and what was paid.

7. Proof of payment for Health Insurance PT Bumilanggeng Perdanatrada through Bank Negara Indonesia on March 2, 2023 with transaction reference number 20230302084910642311. However, the proof of payment is not accompanied by the name of the participant whose contribution was paid and the amount of the contribution paid. Reconciliation data for PT EHP's Health Insurance for the period February and March 2023 with the number of participants paid by Health Insurance totaling 1468 participants. From the verification of proof of payment documents and reconciliation data it is shown that there is a discrepancy/difference in the amount of the bill and what was paid.

Based on the verification results of the root cause analysis, corrections, and corrective actions as well as the evidence of improvement shown, the non-conformities are declared to have not been fulfilled. Please respond to the auditor's response and complete it with supporting evidence.

Company Response:

1. Sending attachments to Health Insurance participant names PT. EHP and details of dues paid (February & March 2023)
2. Sending attachments to Health Insurance participant names PT. BLP and details of contributions paid (February & March 2023)
3. Delivery of proof of payment for employment Insurance PT. BLP with details of contributions and names of participants (Feb & March 2023)
4. Delivery of proof of payment for employment Insurance PT. EHP includes details of contributions and names of participants (Feb & March 2023)
5. Delivery of registration documents for EHP Mill employment Insurance participants.

Verification, June 29, 2023

Observed evidence:

The company has registered all of its employees in the Employment Insurance in March 2023 according to the existing workforce of 1,957 workers along with proof of payment. The company also attaches supporting documents for this improvement, namely:

1. Employment Insurance Data & Status of PT BLP_March 2023.
2. Employment Insurance PT BLP_March 2023 bills
3. Photocopy of proof of payment for Employment Insurance 26 June 2023_PT BLP_April 2023 & recapitulation of payments
4. Employment BPJS Data & Status of PT EHP_March 2023.
5. Employment Insurance bills for April 2023 EHPM.
6. Proof of Employment Insurance payment dated 26 June 2023_PT EHP for the period March - May 2023.

In addition, the Company has assigned an HCCS Staff who is responsible for monitoring and periodically updating employee data including National Insurance (BPJS) membership status at the beginning of each month through the PMS system which is then updated to the National Insurance (BPJS) e-Dabu system on the 15th of each month. From the monitoring results of PT BLP's employee data for March 2023, 1,487 employees have been registered and 470 employees have not been registered, with details of 230 people registered as PBI and 240 people unable to be registered due to problems with ID Card. For employees who are registered as PBI who are not willing to give up their rights as PBI holders, and for employees who are identified as having problematic ID Card, they have been advised to complete them first so they can be registered with Health Insurance. The company has also attached the Employment Insurance Data & Status of PT BLP as of March 2023.

Auditee's response on 30 June 2023:

The problem with employee KTPs that cannot be registered with Health Insurance is that there are employee identity number that are not registered in the E-dabu population system (Attachment 1. Identification List of Problems with Employee Insurance Registration).

The company has registered employees who have problems with ID Card and are still actively working at the company, where out of 240 employees, 158 employees are still actively working and 82 people have resigned.

Health Insurance registration will be carried out on June 30, 2023 via WA and email to the Health Insurance PIC containing an application for Health Insurance registration (Appendix 2. WA Application for BPJS Kesehatan Registration & Appendix 3 Email Application for Health Insurance Registration).

Auditor Verification 03 July 2023:

The certification unit has shown the results of identifying the problems of 240 problematic ID Card employees, namely 158 employees have not been registered with Health Insurance because there are problems with Biodata (ID Card) and Identity Number not registered in the population system (e-Dabu) and 82 others have resigned and have not worked again as employees of PT BLP (employees who resigned consisted of 28 Arjuna Estate employees, 11 Semeru Estate employees, 9 Bromo Estate employees, 34 Bromo Plasma employees). On June 30, 2023 the company submitted registration for 158 Health Insurance membership to National Insurance officers in Kotawaringin Timur Regency via WhatsApp messages, e-mails and is still waiting for a response from Health Insurance office. The company has identified problems with Health Insurance membership and employees who have problems with ID Cards are already in the process of applying for national Insurance membership to the relevant agency.

Based on the description above, this discrepancy has been fulfilled and the consistency will be reviewed in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : **Johannes Pandiangan**

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|--|---|-----------------|----------------------|
| NCR No. | : 2023.10 | Issued by | : Radytio Puspanjana |
| Date Issued | : 1 April 2023 | Time Limit | : 30 June 2023 |
| NC Grade | : Minor raise to Major (Recurring) | Date of Closing | : 5 April 2023 |
| Standard Ref. & Requirement | 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated. | | |
| Evidence observed (filled by auditor): Hazardous waste | | | |
| <ul style="list-style-type: none">- Prosedur 3.5.1.1 IKA-OTH-F3-04-01 Pengelolaan dan Pemantauan Limbah B3 Pengelolaan dan pemantauan limbah B3 menjelaskan limbah B3 Aki bekas, oli bekas, filter oli bekas, kemasan bekas pestisida, karung bekas terkontaminasi B3 dan oli bekas disimpan di TPS limbah B3 kemudian di angkut oleh pengangkut berizin dari pemerintah.- Procedure 3.5.1.1 IKA-OTH-F3-04-01 Management and Monitoring of hazardous Waste Management and monitoring of hazardous waste describes hazardous waste Used batteries, used oil, used oil filters, used pesticide packaging, used sacks contaminated with hazardous and used oil stored in hazardous waste storage is then transported by licensed carriers from the government. In section 3.1 the management of hazardous contaminated packaging is explained: <ul style="list-style-type: none">• The unit manager coordinates with the assistant to regulate the use of packaging/goods contaminated with hazardous, such as spray equipment, aprons, pesticide packages and fertilizer sacks.• The unit manager (plantation/factory) assigns an employee as the person in charge of managing hazardous contaminated packaging/goods under the supervision of a designated assistant. | | | |

In section 3.4 Monitoring and reporting of hazardous waste it is explained:

- Used pesticide packaging, used oil packaging and hazardous contaminated packaging stored in the former BMRE traction warehouse.
- Used packaging of Gemaxone brand pesticides is dumped into the block I23 reservoir (Kubing spring) at SMRE.
- The used water purification chemical inner packaging (former soda ash packaging) is stored in EHP's POM chemical warehouse.
- The used inner fertilizer packaging is disposed on block FH 1 ARJE
- The used inner fertilizer packaging is disposed on block H 38 A of SMRE.
- Results of interviews with workers in block E6C and E6D division 3 of ARJE obtained information that used inner fertilizers were placed on block.
- There are discarded rags in the scrap metal storage area
- There are 3 used spray equipment in the SMRE fertilizer warehouse.

Based on the results of verification of the PPE handover documents for spray and fertilizer, the following information was obtained:

- January 19, 2023, 45 pcs of aprons and gloves were given each at BMRE.
- January 19, 2023, 10 pcs of aprons and gloves were given each in ARJE divisions 1 & 4.
- January 19, 2023, 13 pcs of aprons and rubber gloves were given each at ARJE division 3.
- March 8, 2023, 19 pcs of aprons and rubber gloves were given to ARJE for fertilizer activities.
- March 24 2023, 29 pcs of aprons and rubber gloves were given to ARJE for fertilizer activities
- January 17 2023, 9 pcs of aprons and rubber gloves were given each at SMRE division 3.

However, based on the results of verification of hazardous waste management report documents starting from quarters 1 – 4 of 2022 and quarter 1 of 2023 in the hazardous waste storage log book document, information was obtained that there was no type of hazardous waste contaminated PPE from the exchange of hazardous contaminated PPE. Based on the results of interviews with management representatives, information was obtained that used contaminated PPE was disposed of in inorganic waste bins.

During the ASA-3 audit, the company showed evidence of improvement in corrective actions in the form of:

- The Sustainability Division conducts periodic supervision of the implementation of hazardous waste management through OHS inspection activities.
- The company will focus on managing hazardous waste because this has become a non-compliance. Can be further verified at the next audit.

During the ASA-4 audit, the company was able to show back the document proof of improvement, namely the weekly housekeeping inspection form, but it had not implicitly explained the monitoring of hazardous waste from the place of origin, how the results of monitoring and monitoring had not been carried out periodically, besides that for monitoring in the POM area as well not done. So that the corrective actions shown to the previous auditor and the results of this auditor's verification have not been realized optimally and comprehensively.

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):

- In the 2023 training & socialization needs matrix, the socialization of hazardous Waste Management is focused only on the main hazardous waste sources related to operational activities (ex. for Warehouse staff, mechanics, spray team, fertilization team, generator operator, water pump operator, LA applicator team) and does not include additional hazardous waste sources (ex. originating from housing and contractors). This has resulted in a weak and varied understanding of the management of hazardous waste by parties that are not related to operational

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| <p>activities. Another thing that is the root of the problem is the limited socialization media and the intensity of socialization on hazardous waste Management resulting in an uneven understanding of hazardous waste management.</p> <ul style="list-style-type: none"> • The effectiveness of follow-up inspection activities carried out by Sustainability has not been maximized and has resulted in the discovery of a lot of hazardous Waste outside the hazardous Waste storage for hazardous Waste. |
| <p>Correction (filled by organization audited):</p> <ul style="list-style-type: none"> • Conduct evaluation and revision of Work Instructions (IK) for Management and Monitoring of hazardous Waste (attached) • Collecting hazardous Waste (which is not managed according to procedure) from estates, mills, housing etc. to be managed at hazardous Waste storage. • Recording of incoming and outgoing Waste storage and their utilization in the log book. • Making an Internal Memo of reaffirmation regarding the management of Waste storage. • Comprehensive socialization of Waste storage management procedures • Periodic joint inspections (estate and mill) • Renewal and installation of the Hazardous Waste sign board as part of the socialization form of hazardous Waste management. |
| <p>Corrective Action (filled by organization audited):</p> <ul style="list-style-type: none"> • Review of the 2023 training and outreach program • Preparation of standard material for Socialization of hazardous Waste Management • Monthly evaluation of hazardous Waste management. |
| <p>Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification April 5, 2023</p> <p>The company shows evidence of improvement in the form of:</p> <ul style="list-style-type: none"> - Internal memo No. 17.BLP/IM-KALTENG/IV/2023 dated 1 April 2023 from RC KALTENG to Area controllers 1,2 & 3 which explains that all types of hazardous waste must be stored in licensed hazardous waste storage, not to store hazardous waste outside hazardous waste storage and not utilizing hazardous waste. The types of hazardous waste that must be managed are packaging used for pesticides and other hazardous, used oil and fuel filters, used batteries, contaminated rags, spill kits, medical waste, used oil, expired chemicals, used waste analysis, sacks of used fertilizers. inside, used contaminated PPE and used battery. - PT BLP & PT EHP's hazardous waste management outreach program matrix which explains the outreach activities will be carried out in March and September 2023. - PT BLP socialization needs matrix in 2023 which explains the material will be socialized to all staff and employees from plantation managers, assistant managers, garden assistants, technical assistants, sustainability assistants, doctors, foremen, administration, warehouse staff, mechanics, LA operators, harvesters, sprayers, fertilizers, maintenance, heavy equipment operators, generator and water pump operators, communities, contractors, plasma cooperatives and suppliers. - PT EHP socialization needs matrix in 2023 which explains the material will be socialized to all staff and employees from plantation managers, assistant managers, estate assistants, technical assistants, sustainability assistants, doctors, foremen, administration, warehouse staff, mechanics, heavy equipment operators, grading officers, process workers, lab workers, cleaners, WTP, WWTP, security, community, contractors, and suppliers. - Minutes of PT BLP's hazardous waste management signboard installation at ARJE on 4 April 2023 in 5 locations, namely divisions 1-3, housing and workshops. - Minutes of PT BLP hazardous waste management signboard installation at BRME on 4 April 2023 in 4 locations, namely divisions 1-3 and housing. - Minutes of the installation of PT BLP's hazardous waste management signboard at SRME on 4 April 2023 in 3 locations, namely divisions 1-3 and housing. - Minutes of the installation of PT EHP's hazardous waste management signboard at POM on 4 April 2023. - There is an evaluation and revision of the Work Instruction (IK) for hazardous waste Management and Monitoring No IKA-OTH-F3-04-01 Management and Monitoring of hazardous Waste dated April 3, 2023. The thing that has |

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| <p>been revised is routine monitoring carried out by assistants for sustainability at least once a week to 1 month very.</p> <ul style="list-style-type: none"> - Evidence of socialization activities on hazardous waste management at ARJE division 1-4, BRME division 1-3, SMRE division 1-4 and at POM. - Minutes of evacuation of used soda ash sacks on March 29, 2023 from the WTP warehouse to the hazardous waste storage POM waste. - Minutes of the internal evacuation of used fertilizers on March 31, 2023 from the field to ARJE's hazardous waste storage. - Minutes of evacuation of container of used pesticides dated March 30, 2023 from the former traction warehouse to the hazardous waste storage. - Minutes of internal evacuation of used fertilizer and damaged spray equipment on March 30, 2023 from the warehouse to the TPS for hazardous waste. - Minutes of evacuation of medical waste dated March 31, 2023 from the clinic to the hazardous waste storage. - The updated hazardous waste logbook document as of April 3, 2023 which explains that all hazardous waste found in the field during the audit has been stored in a licensed hazardous waste storage. - Inspection on hazardous waste management in April at ARJE which was conducted on April 4 2023 which explained that the results of the inspection found types of hazardous waste in several locations and had been stored in the hazardous waste storage. - Inspection of hazardous waste management in April at BMRE which was carried out on April 4 2023 which explained that the results of the inspection found types of hazardous waste in several locations and had been deposited in the hazardous waste storage. - Inspection of hazardous waste management in April at SMRE which was carried out on April 4 2023 which explained that the results of the inspection found types of hazardous waste in several locations and had been stored in the hazardous waste storage. - Inspection on hazardous waste management in April at POM which explained that the results of the inspection found types of hazardous waste such as contaminated rags and used hazardous packaging in several locations and had been stored in the hazardous waste storage. <p>Based on the results of verification of the submitted proof of improvement, Root Cause Analysis, Correction and Corrective Action, it is concluded that this discrepancy has been fulfilled and consistency will be ensured again in the next assessment.</p> | |
| <p>Follow up on next audit (filled by auditor):</p> | |
| <p>Verified by</p> | <p>: Radytio Puspanjana</p> |

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| <i>NCR No.</i> | : 023.11 | <i>Issued by</i> | : Radityo Puspanjana |
| <i>Date Issued</i> | : 1 April 2023 | <i>Time Limit</i> | : 30 June 2023 |
| <i>NC Grade</i> | : Major | <i>Date of Closing</i> | : 29 June 2023 |
| <i>Standard Ref. & Requirement</i> | 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 riverbanks to avoid negative impacts, it is stated in the document:

- PT BPLP's HCV identification and management plan report in January 2013 in the recommendations section explains that the company needs to create a buffer zone area on the banks of rivers and springs. Based on this document, the determination of buffer zones is as follows:
 - Buffer zone reservoir with an area of 50 m
 - River border buffer zone with a width of less than 30 m and an area of 50 m
 - Buffer zone of 200 m springs

The document states that it does not apply chemicals and fertilization along the banks of rivers and springs. The report also explains the types of HCV identified, for areas with HCV functions, for example:

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| Kubing springs |
| F38 springs |
| RTBM springs |
| Bedaun riparian |
| Bakung riparian |
| Seluang riparian |

- e. Work Instruction No.IKA/30/BLP/2019 stipulated on June 1, 2021 Protection of water sources and quality explains that it is forbidden to poison fish, damage or dispose of domestic waste around river and reservoir border areas. It is prohibited to carry out activities related to chemicals (spraying and fertilizing on the banks of rivers and reservoirs).
- f. The company shows the PT BPL high conservation value (HCV) area management and monitoring report document for 2022 which describes several types of management and monitoring activities, as an example:
 - Monitoring HCV areas every 3 months during 2022.
 - Monitoring RTE every 6 months during 2022.
 - Outreach to employees and the community regarding HCV every 6 months during 2022.
 - Installation and maintenance of warning boards, prohibitions and/or notices, pamphlets about animals every 6 months during 2022.
 - Evaluation of management once a year.
 - Etc.

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

- The 2022 HCV management and monitoring implementation report explains that there is no threat or disturbance to the HCV area at PT BLP.
- The HCV Monitoring Document for ARJE, SMRE and BRME for 2022 HCV explains that a program for managing riverbanks and springs as well as maintenance of boundary signs and information boards for HCV areas has been realized.

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 buffer zone Bakung river block K32/L32 Bromo estate, information was obtained that one side of the buffer zone did not provide chemical application limits.
- HCV buffer zone Kubing spring block I23/22 Semeru estate obtained information that:
 - There are packages of used Gemaxone brand pesticides being dumped into the spring.
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning top soil for agricultural activities (horticultural cultivation) in the spring area.
- HCV buffer zone of Seluang river block F and FH 1 Arjuna estate, information was obtained that there was activity of spraying pesticides for TPH treatment and there was no limit sign of prohibition of chemical application.
- HCV buffer zone spring block F6 (Community Open Space, RTBM) Arjuna estate obtained information that:

- There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
- There is an activity of burning weed residues for agricultural activities (horticultural cultivation) in the spring area.

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

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

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

- The company has used non-permanent wooden stakes to mark the boundaries of conservation areas and these boundaries have been damaged/disappeared. As a follow-up to the loss of the boundary markers, the company has re-demarcated the conservation area and at the time of the audit this activity had not been completed.
- This boundary problem is one of the things that causes employee ignorance about where the boundaries of the conservation area are.
- Lack of signboards in conservation areas (because they are often damaged by irresponsible parties) is also the reason why employees cannot know for sure the limits of activities that are permitted or prohibited to be carried out in conservation areas.

Correction *(filled by organization audited):*

- Marking conservation areas with permanent marker boundaries.
- Additional conservation area sign boards.

Corrective Action *(filled by organization audited):*

- Socialization regarding the protection of conservation areas to all employees.
- Inventory of stakes in conservation areas and installation of new stakes to replace lost or damaged stakes.
- Monitoring of conservation area boundary markers.

Assessor Evaluation and Conclusion *(filled by auditor):*
Auditor Verification June 2, 2023

The company shows evidence of improvement in the form of:

- Minutes of installation of albi water HCV stakes dated 10 May 2023.
- Minutes of HCV block stakes in Mata Air F.38 and RTBM dated 4 May 2023.
- Minutes of Installation of Kubing Springs HCV Block-I.22 7 May 2023.
- Minutes of Installation of HCV Stakes in Musabeu Springs - Block I.21 dated 7 May 2023.
- Minutes of the Installation of the Bakung River Border HCV Stake on 15 April 2023.
- Minutes of the installation of the Seluang River Border HCV stakes on 13 May 2023.
- Minutes of Reservoir HCV Installation - Block F.36 dated 5 May 2023
- Minutes of Installation of Watering Reservoir HCV Stakeholders - Block G.38 dated 11 May 2023.
- Minutes of the installation of HCV stakes in the Rogia Reservoir - Block J.38 dated 10 May 2023.
- Minutes of the installation of HCV stakes in the Sungai Cigarette Reservoir on 5 May 2023
- Minutes of the installation of HCV stakes in the Tanjung Lingga Reservoir-Blok K.38 dated 13 May 2023
- Minutes of the Installation of HCV Stakes in the Tanjung Pandan Reservoir-Block J.39 or J.40 dated 13 May 2023
- Minutes of the installation of HCV stakes for the Tanjung Penghuja Reservoir-Block K.42 dated 11 May 2023
- Minutes of Tree Enrichment at S. Seluang Border by planting 100 ubarstairs tree seedlings May 4, 2023.
- Report on socialization activities regarding the management of HCV areas in ARJE division 1-4, BRME 1-3 and SMRE 1-4.

Auditor Verification June 21, 2023

The company shows evidence of improvement in the form of:

- Seed documents in the form of 1000 Ubar trees, 2040 Pulau trees and 1400 Belangiran trees.

- Minutes of planting of rehabilitation plants on 8 June 2023 at the Kubing spring block I.22 SMRE,
- Minutes of planting of rehabilitation plants on 8 June 2023 at RTBM block F.06 ARJE,
- Minutes of planting of rehabilitation plants on 24 May 2023 at RTBM block F.06 ARJE,
- Minutes of installation of sign boards for Reservoir F.36A and MA F.38 – ARJE dated 6 June 2023.
- Minutes of BA HCV Sign Board Installation S. Seluang – SMRE dated 5 June 2023
- Minutes of BA HCV Sign Board Installation S. Bakung – BMRE dated 5 June 2023
- Minutes of BA for the Installation of HCV Sign Boards for RTBM Springs – ARJE dated 5 June 2023
- Minutes of BA HCV Sign Board Installation Mata ari Musabeu & Kubing – SMRE April 7 2023
- Minutes of BA Installation of HCV Reservoir F.36A, MA F.38 & MA RTBM – ARJE dated 6 June 2023
- Minutes of BA HCV Sign Board Installation S. Bakung – BMRE dated 5 June 2023
- Minutes of BA for Installation of HCV Sign Boards for Tanjung Lingga Springs K38C, MA Rogia J38B & MA Tanjung Penghujan – BRME dated 5 June 2023.
- Minutes of Installation of the HCV Sign board of Musabeu Springs & Kubing MA – SMRE dated 7 June 2023
- Minutes of the installation of the ANKT MA Albi Signboard, Reservoir I33A & Reservoir I33B - SMRE dated 30 June 2023
- PT. HCV Management and Monitoring Program. BLP Period 2023.
- HCV Management & Monitoring Training Report - PT. BLP on May 17, 2023
- HCV Management & Monitoring Training Report – Sustainability dated 30 May 2023
- Results of inspection of conservation areas in ARJE, BMRE, SMRE plantations April-May 2023.

Auditor Verification June 29, 2023

The company shows evidence of improvement in the form of:

- Map of identification of degraded/opened HCV areas with a scale of 1:3000 which explains that the area cleared for agriculture is 0.04 Ha.
- Minutes of identification and measurement of degraded HCV areas and management of HCV areas (RTBM areas), namely by planting rehabilitation plants in these open areas.
- Minutes of outreach activities related to HCV area management dated 22 June 2023
- Letter of commitment to protect HCV areas dated 22 June 2023 to employee representatives.

Based on the results of verification of the evidence of improvement submitted and the results of verification of additional Root Cause Analysis, Corrections and Corrective Actions, it is concluded that this discrepancy has been fulfilled and will be re-verified for its consistency and implementation in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : **Radytio Puspanjana**

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| NCR No. | : 2023.12 | Issued by | : Radityo Puspanjana |
| Date Issued | : 1 March 2023 | Time Limit | : 30 June 2023 |
| NC Grade | : Major | Date of Closing | : 29 June 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 riverbanks to avoid negative impacts, it is stated in the document:

- PT BPLP's HCV identification and management plan report in January 2013 in the recommendations section explains that the company needs to create a buffer zone area on the banks of rivers and springs. Based on this document, the determination of buffer zones is as follows:
 - Buffer zone reservoir with an area of 50 m
 - River border buffer zone with a width of less than 30 m and an area of 50 m
 - Buffer zone of 200 m springs

The document states that it does not apply chemicals and fertilization along the banks of rivers and springs. The report also explains the types of HCV identified, for areas with HCV functions, for example:

| |
|------------------|
| Kubing springs |
| F38 springs |
| RTBM springs |
| Bedaun riparian |
| Bakung riparian |
| Seluang riparian |

- g. Work Instruction No.IKA/30/BLP/2019 stipulated on June 1, 2021 Protection of water sources and quality explains that it is forbidden to poison fish, damage or dispose of domestic waste around river and reservoir border areas. It is prohibited to carry out activities related to chemicals (spraying and fertilizing on the banks of rivers and reservoirs).
- h. The company shows the PT BPL high conservation value (HCV) area management and monitoring report document for 2022 which describes several types of management and monitoring activities, as an example:
 - Monitoring HCV areas every 3 months during 2022.
 - Monitoring RTE every 6 months during 2022.
 - Outreach to employees and the community regarding HCV every 6 months during 2022.
 - Installation and maintenance of warning boards, prohibitions and/or notices, pamphlets about animals every 6 months during 2022.
 - Evaluation of management once a year.
 - Etc.

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

- The 2022 HCV management and monitoring implementation report explains that there is no threat or disturbance to the HCV area at PT BLP.
- The HCV Monitoring Document for ARJE, SMRE and BRME for 2022 HCV explains that a program for managing riverbanks and springs as well as maintenance of boundary signs and information boards for HCV areas has been realized.

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 buffer zone Bakung river block K32/L32 Bromo estate, information was obtained that one side of the buffer zone did not provide chemical application limits.
- HCV buffer zone Kubing spring block I23/22 Semeru estate obtained information that:
 - There are packages of used Gemaxone brand pesticides being dumped into the spring.
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.

- There is an activity of burning top soil for agricultural activities (horticultural cultivation) in the spring area.
- HCV buffer zone of Seluang river block F and FH 1 Arjuna estate, information was obtained that there was activity of spraying pesticides for TPH treatment and there was no limit sign of prohibition of chemical application.
- HCV buffer zone spring block F6 (Community Open Space, RTBM) Arjuna estate obtained information that:
 - There are land clearing activities for agriculture (horticultural cultivation) in the spring area.
 - There is an activity of burning weed residues for agricultural activities (horticultural cultivation) in the spring area.

In addition, the company has also not been able to show evidence that the prepared HCV management and monitoring plans have been developed in consultation with relevant stakeholders and cover areas that are directly managed and consider the landscape level and are reviewed at least once every **five years**.

Non-Conformance Description (filled by auditor):

The company has not been able to show evidence of the implementation of the HCV management plan that has been carried out in accordance with the HCV Management plan and SOP that it has and has been developed in consultation with stakeholders and reviewed at least once every five years.

Root Cause Analysis (filled by organization audited):

- The company has used non-permanent wooden stakes to mark the boundaries of conservation areas and these boundaries have been damaged/disappeared. As a follow-up to the loss of the boundary markers, the company has re-demarcated the conservation area and at the time of the audit this activity had not been completed.
- This boundary problem is one of the things that causes employee ignorance about where the boundaries of the conservation area are.
- Lack of signboards in conservation areas (because they are often damaged by irresponsible parties) is also the reason why employees cannot know for sure the limits of activities that are permitted or prohibited to be carried out in conservation areas.

Correction (filled by organization audited):

- Marking conservation areas with permanent marker boundaries.
- Additional conservation area sign boards.

Corrective Action (filled by organization audited):

- Socialization regarding the protection of conservation areas to all employees.
- Inventory of stakes in conservation areas and installation of new stakes to replace lost or damaged stakes.
- Monitoring of conservation area boundary markers.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification June 2, 2023

The company shows evidence of improvement in the form of:

- Minutes of installation of albi water HCV stakes dated 10 May 2023.
- Minutes of HCV block stakes in Mata Air F.38 and RTBM dated 4 May 2023.
- Minutes of Installation of Kubing Springs HCV Block-I.22 7 May 2023.
- Minutes of Installation of HCV Stakes in Musabeu Springs - Block I.21 dated 7 May 2023.
- Minutes of the Installation of the Bakung River Border HCV Stake on 15 April 2023.
- Minutes of the installation of the Seluang River Border HCV stakes on 13 May 2023.
- Minutes of Reservoir HCV Installation - Block F.36 dated 5 May 2023.
- Minutes of Installation of Watering Reservoir HCV Stakeholders - Block G.38 dated 11 May 2023.
- Minutes of the installation of HCV stakes in the Rogia Reservoir - Block J.38 dated 10 May 2023.
- Minutes of the installation of HCV stakes in the Sungai Cigarette Reservoir on 5 May 2023.

- Minutes of the installation of HCV stakes in the Tanjung Lingga Reservoir-Blok K.38 dated 13 May 2023.
- Minutes of the Installation of HCV Stakes in the Tanjung Pandan Reservoir-Block J.39 or J.40 dated 13 May 2023.
- Minutes of the installation of HCV stakes for the Tanjung Penghuja Reservoir-Block K.42 dated 11 May 2023.
- Minutes of Tree Enrichment at S. Seluang Border by planting 100 ubarstairs tree seedlings May 4, 2023.
- Report on socialization activities regarding the management of HCV areas in ARJE division 1-4, BRME 1-3 and SMRE 1-4.

Auditor Verification June 21, 2023

The company shows evidence of improvement in the form of:

- Seed documents in the form of 1000 Ubar trees, 2040 Pulai trees and 1400 Belangiran trees.
- Minutes of planting of rehabilitation plants on 8 June 2023 at the Kubing spring block I.22 SMRE,
- Minutes of planting of rehabilitation plants on 8 June 2023 at RTBM block F.06 ARJE,
- Minutes of planting of rehabilitation plants on 24 May 2023 at RTBM block F.06 ARJE,
- Minutes of installation of sign boards for Reservoir F.36A and MA F.38 – ARJE dated 6 June 2023.
- Minutes of BA HCV Sign Board Installation S. Seluang – SMRE dated 5 June 2023
- Minutes of BA HCV Sign Board Installation S. Bakung – BMRE dated 5 June 2023
- Minutes of BA for the Installation of HCV Sign Boards for RTBM Springs – ARJE dated 5 June 2023
- Minutes of BA HCV Sign Board Installation Mata ari Musabeu & Kubing– SMRE April 7 2023
- Minutes of BA Installation of HCV Reservoir F.36A, MA F.38 & MA RTBM – ARJE dated 6 June 2023
- Minutes of BA HCV Sign Board Installation S. Bakung – BMRE dated 5 June 2023
- Minutes of BA for Installation of HCV Sign Boards for Tanjung Lingga Springs K38C, MA Rogia J38B & MA Tanjung Penghujan – BRME dated 5 June 2023.
- Minutes of Installation of the HCV Sign board of Musabeu Springs & Kubing MA – SMRE dated 7 June 2023
- Minutes of the installation of the ANKT MA Albi Signboard, Reservoir I33A & Reservoir I33B - SMRE dated 30 June 2023
- PT. HCV Management and Monitoring Program. BLP Period 2023.
- HCV Management & Monitoring Training Report - PT. BLP on May 17, 2023
- HCV Management & Monitoring Training Report – Sustainability dated 30 May 2023
- Results of inspection of conservation areas in ARJE, BMRE, SMRE plantations April-May 2023.

The company shows the HCV management and monitoring plan document which was developed through consultation with stakeholders involving workers and the surrounding community such as Sungai Bedaun Village, Mulya Jadi village Kumai village and traditional figure dated 15 May 2023.

Auditor Verification June 29, 2023

The company shows evidence of improvement in the form of:

- Map of identification of degraded/opened HCV areas with a scale of 1:3000 which explains that the area cleared for agriculture is 0.04 Ha.
- Minutes of identification and measurement of degraded HCV areas and management of HCV areas (RTBM areas), namely by planting rehabilitation plants in these open areas.
- Minutes of outreach activities related to HCV area management dated 22 June 2023
- Letter of commitment to protect HCV areas dated 22 June 2023 to employee representatives.

Based on the results of verification of the evidence of improvement submitted and the results of verification of additional Root Cause Analysis, Corrections and Corrective Actions, it is concluded that this discrepancy has been fulfilled and will be re-verified for its consistency and implementation in the next assessment.

Follow up on next audit (filled by auditor):

Verified by : **Radytio Puspanjana**

3.4.3. Opportunity for Improvement

| No | Ref. Std. | Description |
|----|-----------|---|
| 1 | 6.1.5 | <p>A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> <p>The company has formed a gender committee whose entire board consists of female workers. The company has the opportunity to add to the management of the gender committee of male workers from representatives of all fields of work which consider issues such as: training on women's rights, counseling for women involved in cases of violence and dealing with other issues of concern</p> |
| 2 | 7.7.2 | <p>Peat areas within the managed area are inventoried, documented and reported to the RSPO Secretariat (effective from November 15, 2018).</p> <p>The Companies have the opportunity to report back their Peat Inventory to the RSPO secretariat before 5 November 2023.</p> |
| 3 | 7.7.6 | <p>All existing plantations on peat are managed according to applicable laws and/or "RSPO Guidelines for Best Management Practices (BMP) for Oil Palm Cultivation that are already on Peatlands", version 3 (June 2019) along with related audit guidelines (May 2019).</p> <p>1. Number of Subsidence Pole The results of document verification and interviews with the company found that there were 5 subsidence stakes in the PT BP area. The results of the document verification found that the area of embedded peat in PT BLP was 4474.78 ha, so the ratio was 1 stake representing an area of 894.956 Ha.</p> <p>Meanwhile in the RSPO Manual on BMPs For Existing Oil Palm Cultivation on Peat it is explained that "A subsidence pole should be installed at a minimum rate of at least one and preferably two (for control) in every 240 ha of an estate (in representative locations))".</p> <p>Based on the explanation above, companies have the opportunity to improve peatland management performance by adjusting the number of subsidence stakes in accordance with the recommendations in the RSPO Manual on BMPs For Existing Oil Palm Cultivation on Peat</p> <p>2. Protection of Peat Measurement Monitoring Devices Based on the results of field visits to sample estates, it is known that subsidence markers and piezometers are available as part of one of the management of peatlands. The results of the field visit also revealed that the subsidence stakes and the piezometer were not provided with a protective fence so that there was the potential for interference which would cause inaccurate measurement results or damage to the equipment. Related to this, the company has the opportunity to make protection for peat measurement monitoring devices</p> |

3.4.4. Noteworthy Positive Components



| No | Ref. Std. | Description |
|----|-----------|---|
| 1 | - | The company's commitment to apply the principles of sustainable palm oil management |
| 2 | - | Teamwork and good presentation of documents |
| 3 | - | No longer using pesticides with the active ingredient Paraquat. |
| 4 | - | Have a pesticide use reduction program |

3.5 Summary of Arising Issues from Public and Auditor Verification

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|--|--|
| Plantation Office of Kotawaringin Barat District In general, communication and delivery of information between agencies and companies goes well and smoothly. Regarding fire prevention and control, the company already has fire control facilities. | There are no issues that need further verification, all information has been included in the relevant indicators. |
| Manpower Agency of Kotawaringin Barat District For the past two years, no issues/reports have been submitted to the Manpower Office related to industrial relations issues. The composition of employees in the company is permanent and daily worker The company has routinely conducted reports related to employment such as <i>WLTK</i> and <i>PKWT</i> agreement The source person did not know with certainty information regarding work accidents or compliance with involving employees in the <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> programs because the authority of the labor inspectors located in the Province. However, to the knowledge of the source person, so far the company has complied with the participation of <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> . | Based on the results of document review and interviews with representatives of trade unions, it is known that so far there have never been any problems related to industrial relations. WLTK has been reported in accordance with the timetable as described in the report, while based on the results of the document review, it is known that the workforce in the company is daily worker\'. The recording of daily worker work agreements has been nonconformity in relate indicator Based on the document review, it is known that employees have been included in the <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> programs. For <i>BPJS Kesehatan</i> , there are employees with PBI status |
| Environmental Services of Kotawaringin Barat District In general, communication and delivery of information between agencies and companies goes well and smoothly. Regarding reports that must be sent regularly and the absence of environmental pollution issues | There are no issues that need further verification, all information has been included in the relevant indicators. |
| National Land Agency of Kotawaringin Barat | Until the audit activity is completed, there is no confirmation from agency regarding the willingness/unavailability as a resource person for public consultation. |
| LKS Bipartit - PT BLP <ul style="list-style-type: none"> • The company supports the formation of LKS Bipartite • The organizational structure of the <i>LKS Bipartite</i> consists of employers and workers' representatives • There were reports of delays in payment of severance pay for retired employees which should have been paid through 3 stages, namely October, November and December 2022. However, until March 2023 the severance pay had not been paid to | Delay in payment of severance pay for retired employees has been discussed and has become a discrepancy in indicator 4.2.3 |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|---|--|
| these retired employees. | |
| Labor Union – PT. EHP <ul style="list-style-type: none"> Member of labour union PT. EHP consists of 94 people The company does not intervene in the existence of labor unions There are minutes of bipartite industrial relations dispute resolution negotiations at PT. EHP on March 2nd, 2023 from <i>PUK SPS</i>/PT. EHP related to January 2023 overtime is not paid | Completion of the overtime pay report will be paid in April 2023 |
| Manager Sustainability Complaint Portal RSPO: https://askrspo.force.com/Complaint/s/case/5000o00003Zaxh8AAB/detail | After confirming with the management representative, it was discovered that the complaint was addressed to 4 other EHP subsidiaries, namely PT. KJMS, PT. SBTP and PT. PLSS which are all located in South Kalimantan. |
| Gender Committee <ul style="list-style-type: none"> Have a work program for the next year, for example outreach related to health aspects and handling sexual harassment. Until now, they have never received complaints related to gender. There is no issue of discrimination, women can work in companies both in offices and in the field. No forced labor. Currently there is no male representation in the management of the gender committee. The company allows time for female workers who breastfeed while working. | Companies are encouraged to involve male gender representation in the management of the gender committee. OFI |
| Representative of Sungai Badaun Village, Sekonyer village and 2 Previous land owners. <ul style="list-style-type: none"> There are no social issues with the company. Many of the workers come from Sungai Badaun Village. There is no information related to environmental pollution in Sungai Badaun Village. It is easy for the village administration to communicate with the company. A lot of social assistance was made to the surrounding community, The land acquisition process was carried out from 1998 – 2015 and had been previously socialized. People who own land (shifting cultivation) who have | There's no negative issues need to further investigation. |

| Public Issues (Institution/ NGO/Community) | Auditor Verification |
|--|---|
| <p>cultivated the land and are not left abandoned for at least 1 year are entitled to <i>GRTT</i>.</p> <ul style="list-style-type: none"> The process of land release was preceded by socialization, negotiation and then compensation was carried out which was witnessed and known by the parties such as representatives of land owners, representatives of village governments, to | |
| <p>FFB and Empty Bunches Contractor (CV Feri Lilis Lima Group and Sumiarto)</p> <ul style="list-style-type: none"> Work contract per 3 months. The company evaluates before the contract extension. All facilities and infrastructure are borne by the contractor. Payments in accordance with the agreement. | There's no negative issues need to further investigation. |
| <p>PT SAN (Third party FFB supplier) March 29, 2023</p> <ul style="list-style-type: none"> A letter of sale and purchase agreement for FFB has been made available between the two parties The company has conducted field visits to the locations of the farmers who supply FFB to PT SAN There is no delay in payment Farmers have received training regarding the quality of FFB There are no complaints | There's no negative issues need to further investigation. |
| <p>Bedaun Maju Bersama Cooperative (Plasma Cooperative) March 29, 2023</p> <ul style="list-style-type: none"> The cooperative is fully managed by PT BLP Farmers have received training regarding fertilization and use of pesticides There were no complaints while working together Payment for harvested FFB is made every 2 months Plasma smallholders already have land ownership certificates | There's no negative issues need to further investigation. |
| <p>Palm Kernel Contractor (UD Anita Group)</p> <ul style="list-style-type: none"> The contractor is ready and aware if they are audited by a certification body at any time. All facilities and infrastructure are borne by the contractor. Payments in accordance with the agreement. | There's no negative issues need to further investigation. |

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| 4.0 | CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY |
| 4.1 | Formal Sign-off of Assessment Findings |
| | <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Eagle High Plantations Management Representative</p>  <p><u>Budi Tri Prasetya</u> Thursday, 29 June 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Briyogi Shadiwa</u> Thursday, 29 June 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 | Plantation Agency | Kotawaringin Barat District | - | Phone | 28 March 2023 | ✓ | |
| 2 | Bedaun Maju Bersama Cooperative (Plasma Cooperative) | Sungai Bedaun Village | | interview | 30 March 2023 | ✓ | |
| 3 | PT SAN (Third party FFB supplier) | West Kotawaringin | | interview | 30 March 2023 | ✓ | |
| 4 | Labor Union PT EHP | PT. EHP | - | interview | 30 March 2023 | ✓ | |
| 5 | LKS Bipartit PT BLP | PT. BLP | - | interview | 30 March 2023 | ✓ | |
| 6 | EHP POM - 2 Warehouse Staff - 2 LA Applicators - 1 LA Foreman - 1 WTP Operator - 2 Workshop Staf - 1 Engineering Foreman - 1 WWTP Staff | PT. EHP | - | interview | 28 March 2023 | ✓ | |
| 7 | Bromo Estate - 3 Chemical Applicators - 1 Foreman Chemical - 5 Fertililizer - 1 Foreman Manuring - 1 Foreman Harvesting - 4 Harvester - 4 Loose Fruit Picker | PT. BLP | - | interview | 28 March 2023 | ✓ | |
| 8 | Semeru Estate - 4 Chemical Applicators - 1 Foreman Chemical - 6 Fertililizer - 1 Foreman Manuring | PT. BLP | - | interview | 29 March 2023 | ✓ | |

| | | | | | | | |
|----|--|-----------------------------|---|-----------|---------------|---|---|
| | <ul style="list-style-type: none"> - 2 Babysitter - 1 Foreman Harvesting - 4 Harvester - 4 loose fruit pickers | | | | | | |
| 9 | Arjuna Estate <ul style="list-style-type: none"> - 6 Chemical Applicators - 1 Foreman Chemical - 5 Fertilizer - 1 Manuring Foreman - 1 Harvesting Foreman - 2 Harvester - 1 loose fruit pickers - 1 loose fruit Foreman | PT. BLP | - | interview | 30 March 2023 | | |
| 10 | Environmental Agency | Kotawaringin Barat District | - | Phone | 28 March 2023 | ✓ | |
| 11 | Manpower Agency | Kotawaringin Barat District | - | Phone | 30 March 2023 | ✓ | |
| 12 | National Land Agency | Kotawaringin Barat District | - | Phone | 30 March 2023 | | ✓ |
| 13 | Gender committee PT. EHP & BLP | Kotawaringin Barat District | - | interview | 30 March 2023 | ✓ | |
| 14 | Sungai Bedaun Village Sekonyer village | Kotawaringin Barat District | - | Phone | 28 March 2023 | ✓ | |
| 15 | 2 Previous land owners | Kotawaringin Barat District | - | Phone | 28 March 2023 | ✓ | |
| 16 | FFB and Empty Bunches Contractor (CV Feri Lilis Lima Group and Sumiarto) | Kotawaringin Barat District | - | Phone | 28 March 2023 | ✓ | |

Appendix 2. Assessment Program

| DATE | 06 – 11 June 2022 | |
|---------------------------------|--|---|
| PLANNED TIME | PROCESSES / CLAUSES TO BE AUDITED | AUDITOR |
| Monday, 27 March 2023 | | |
| 05.45 – 07.00 | Jakarta → Pangkalan Bun | All Auditor |
| 08.00 – 13.00 | Pangkalan Bun → Site | |
| 14.00 – 16.00 | Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit). Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification). | All Auditor |
| Tuesday, 28 March 2023 | | |
| 08.00 – 12.00 | <ul style="list-style-type: none"> Public consultation with stakeholder to relevant agency in Kotawaringin Barat Stakeholder consultation to affected communities surrounding the plantations and previous land owner.. Document review and completing audit checklist. | BRI |
| 08.00 – 12.00 | Field Observation to Bromo Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV Management Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, IPM, EFB Application, etc). Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Clinic, etc). Implementation of OHS. Implementation of employment procedure and mechanism aspect. Observation of Workers Facilities (Housing, School, Worship, clean water, etc). Interview with related personels during field observation | TIO & JON FIT TIO & JON FIT TIO & JON FIT FIT, TIO & JON |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 16.00 | Field Observation to Eagle High PlantationMill <ul style="list-style-type: none"> Supply chain verificaton (FFB receiving, weightbridge, FFB Sorting, Despatch CPO) OHS Aspect (Inspection to chemical storage, hazardous waste storage, POME Pond, Emergency simulation, WWTP, etc). Implementation of employment procedure and mechanism aspect. | TIO JON & BRI FIT |
| 16.00 – 17.00 | Presentation of Dailly Progress | All Auditor |
| Wednesday, 29 March 2023 | | |
| 08.00 – 12.00 | Field Observation to Semeru Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV Management Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, IPM, EFB Application, etc). | TIO JON & BRI TIO |

| | | |
|--------------------------------|---|---|
| | <ul style="list-style-type: none"> Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Clinic, etc). Implementation of OHS. Implementation of employment procedure and mechanism aspect. Observation of Workers Facilities (Housing, School, Worship, clean water, etc). Interview with related personels during field observation | FIT JON & BRI FIT FIT, JON & BRI |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 16.00 | <ul style="list-style-type: none"> Document review and completing audit checklist Stakeholder Interview <ul style="list-style-type: none"> Gender Committee, Worker Union, Worker Cooperation Local Contractor for Mill and Estate Third Parties Supplier | All Auditor FIT & BRI JON & TIO BRI |
| 16.00 – 16.30 | Presentation of Dailly Progress | All Auditor |
| Thursday, 30 March 2023 | | |
| 08.00 – 12.00 | Field Observation to Arjuna Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV Management Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, IPM, EFB Application, etc). Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Clinic, etc). Implementation of OHS. Implementation of employment procedure and mechanism aspect. Observation of Workers Facilities (Housing, School, Worship, clean water, etc). Interview with related personels during field observation | TIO JON & BRI TIO FIT JON & BRI FIT FIT, JON & BRI |
| 12.00 – 14.00 | Break | All Auditor |
| 14.00 – 16.00 | Document review and completing audit checklist | All Auditor |
| 16.00 – 16.30 | Presentation of Dailly Progress | All Auditor |
| Friday, 31 March 2023 | | |
| 08.00 – 11.30 | Document review and completing audit checklist | All Auditor |
| 11.30 – 14.00 | Break | All Auditor |
| 14.00 – 16.00 | Document review and completing audit checklist | All Auditor |
| 16.00 – 17.00 | Presentation of Dailly Progress | All Auditor |
| Saturday, 01 April 2023 | | |
| 09.00 – 11.00 | <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, NonConformities, OFI, Timeline of CAR's, Conclusion) Comments, Responses and Questions | All Auditor |
| 11.15 – 13.00 | PT EHP → Pangkalan Bun | All Auditor |
| 10.50 – 15.25 | Pangkalan Bun → Jakarta | All Auditor |