

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

**[✓] Surveillance**

Name of Management : Pundu Nabatindo Palm Oil Mill - PT Windu Nabatindo Lestari Subsidiary  
 Organisation : of Bumitama Agri Limited  
 Plantation Name : Pundu Nabatindo Estate  
 Location : Pundu Village, Sub District of Cempaga Hulu, District of Kotawaringin Timur,  
 Province of Kalimantan Tengah, Indonesia.  
 Certificate Code : MUTU-RSPO/042  
 Date of Initial Registration : 19 June 2014  
 Date of Certificate Issue : 19 June 2019  
 Date of Certificate Expiry : 18 June 2024

Date of License Issue : 19 September 2023  
 Date of License Expiry : 18 June 2023

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 1.4	12-13 & 16-17 June 2023	Rahmat Abdiansyah (Lead Auditor), Sentot Adi Subandono, Affudin and Dinda Febrima Napitupulu	Hasiholan Sihombing	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA 1.4	18 September 2023

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia  
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com • [www.mutucertification.com](http://www.mutucertification.com)  
 MUTU Certification • Accredited by Accreditation Services International  
 on March 12<sup>th</sup>, 2014 with registration number *ASI-ACC-055*

**TABLE OF CONTENT**
**FIGURE**

Figure 1. Location Map of Pundu Nabatindo POM – PT Windu Nabatindo Lestari 1

Figure 2. Operational Map of Pundu Nabatindo POM - PT Windu Nabatindo Lestari 2

Abbreviations Used 3

**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used 5

1.2 Organization Information 5

1.3 Type of Assessment 5

1.4 Location of Mill and Plantations 5

1.5 Description of Area Statement 5

1.6 Planting Year and Cycle 6

1.7 Description of Mill and Supply Base 6

1.8 Estimate Tonnage of Certified Product 7

1.9 Other Certifications 8

1.10 Time-Bound Plan 8

**2.0 ASSESSMENT PROCESS**

2.1 Assessment Team 13

2.2 Assessment Methodology, Assessment Process and Locations of Assessment 13

2.3 Stakeholder Consultation and Stakeholders Contacted 16

2.4 Determining Next Assessment 16

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the RSPO Certification 17

3.2 Conformity Checklist of Certificate and Logo Use 75

3.3 Summary of RSPO Partial Certification 76

3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components 81

3.5 Summary of Arising Issues from Public and Auditor Verification 99

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

4.1 Formal Signing of Assessment Findings 104

**APPENDICES**

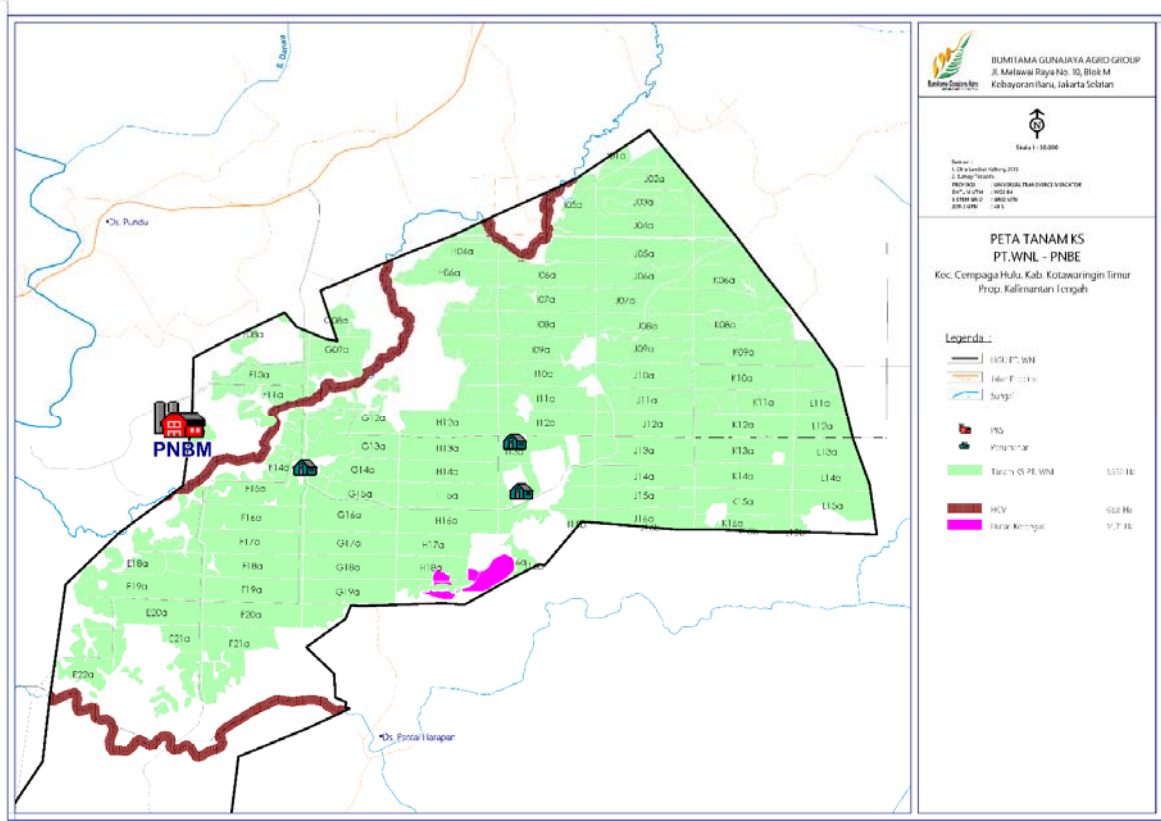
1. List of Stakeholders Contacted in the RSPO Certification Process 105

2. Assessment Program 107

Figure 1. Location Map of Pundu Nabatindo POM – PT Windu Nabatindo Lestari



Figure 2. Operational Map of Pundu Nabatindo POM - PT Windu Nabatindo Lestari



**Abbreviations Used**

ANDAL/AMDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental impact analysis)
B3	:	Hazardous Material
BGA	:	Bumitama Gunajaya Agro
BGS	:	BGA Ground System
BOB	:	Barn Owl Box
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Agency)
BMS	:	BGA Manuring System
BSS	:	BGA Spraying System
CH	:	Certificate Holder
COD	:	Chemical Oxygen Demand
CPNT	:	Central Pundu Nabatindo Traksi
CPO	:	Crude Palm Oil
CV	:	Curriculum Vitae
DLW	:	Decent Living Wage
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FKPK	:	<i>Forum Komunikasi Pimpinan Kecamatan</i> (sub-district leadership communication forum)
FR	:	Frequency Rate
GHL	:	Gunajaya Harapan Lestari
GIS	:	Geographic Information System
HCV	:	High Conservation Value
HCS	:	High Carbon Stock
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRAC	:	Hazard Identification Risk Assessment and Control
HR	:	Human Resource
HSE	:	Health, Safety and Environment
ID	:	Identity
IHT	:	In House Training
ILO	:	International Labour Organization
IOM	:	Intern Office Memo
IPM	:	Integrated Pest Management
LA	:	Land Application
LB3	:	Hazardous and Toxic Waste
JAMKESDA	:	<i>Jaminan Kesehatan Daerah</i> (Regional Health Insurance)
KAGE	:	Katari Agro Estate
KAGM	:	Katari Agro Mill
KAN	:	<i>Komite Akreditasi Nasional</i> (National Accreditation Committee)
Kasie	:	Head of Administration
Kepmenaker	:	<i>Keputusan Menteri Tenaga Kerja</i> (Ministry of Labour Decree)
KER	:	Kernel Extraction Rate
KKPA	:	<i>Kredit Koperasi Primer Anggota</i> (Member Primary Cooperative Credit)
KTP	:	<i>Kartu Tanda Penduduk</i> (Identity Card)
LKS Bipartit	:	<i>Lembaga Kerjasama Bipartit</i>
LSU	:	Leaf Sampling Unit
MSDS	:	Material Safety Data Sheet
NGO	:	Non-Government Organization
OER	:	Oil Extraction Rate

OHS	:	Occupational Health and Safety
P2OHS	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> (OHS Committee)
PAGE	:	Pelantaran Agro Estate
PBI	:	<i>Penerima Bantuan Iuran</i> (Contribution assistance program)
Permenaker	:	<i>Peraturan Menteri Tenaga Kerja</i> (Regulation of the Minister of Manpower)
Permenakertrans	:	<i>Peraturan Menteri Tenaga Kerja dan Transmigrasi</i> (Regulation of the Minister of Manpower and Transmigration)
PermenLHK	:	<i>Peraturan Menteri Kehutanan dan Lingkungan Hidup</i> (Regulation of the Minister of Forestry and Environment)
PIC	:	Person in Charge
PHL	:	<i>Pekerja Harian Lepas</i> (Daily Worker)
PK	:	Palm Kernel
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> (Contract Worker)
PMSE	:	Pantai Mas Estate
PNBE	:	Pundu Nabatindo Estate
PNBM	:	Pundu Nabatindo Mill
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	<i>Peraturan Perusahaan</i> (Company Regulation)
PPE	:	Personal Protective Equipment
PTB	:	<i>Pegawai Tetap Bulanan</i> (Monthly Permanent Worker)
PTH	:	<i>Pegawai Tetap Harian</i> (Daily Permanent Worker)
RKL/RPL	:	<i>Rencana Kelola Lingkungan/Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification System
SIA	:	Social Impact Assessment
SMOHS	:	<i>Sistem Manajemen Kesehatan dan Keselamatan Kerja</i> (Occupational Health and Safety Management System)
SOP	:	Standard Operational Procedure
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
TPA	:	<i>Tempat Pembuangan Akhir</i> (Landfills)
TTL	:	PT Tanah Tani Lestari
UKL/UPL	:	<i>Upaya Kelola Lingkungan / Upaya Pemantauan Lingkungan</i> (Environmental Management and Monitoring Report)
UPT	:	<i>Unit Pelaksana Teknis</i> (technical implementation unit)
WLTK	:	<i>Wajib Lapor Tenaga Kerja</i> (Employment Report)
WNL	:	Windu Nabatindo Lestari
WTP	:	Water Treatment Process
WWTP	:	Waste Water Treatment Process

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li><li>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020</li></ul>	
1.2	Organization Information		
1.2.1	Organization name listed in the certificate	PT Windu Nabatindo Lestari subsidiary of Bumitama Agri Ltd	
1.2.2	Contact person	Eric Perdana Andreas	
1.2.3	Organization address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia.	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	<a href="mailto:eric.perdana@bumitama.com">eric.perdana@bumitama.com</a>	
1.2.7	Web page address	<a href="http://www.bumitama-agri.com">www.bumitama-agri.com</a>	
1.2.8	Management Representative who completed the application for certification	Eric Perdana Andreas (Certification and Safety Compliance Department Head)	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 07 October 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Pundu Nabatindo Mill (PNBM) and Pundu Nabatindo Estate (PNBE)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	<div>Coordinate</div> <div>LatitudeLongitude</div> <div>S 01° 59' 51"E 113° 3' 35"</div>
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	<div>Coordinate</div> <div>LatitudeLongitude</div> <div>S 01° 59' 48"E 113° 3' 29"</div>
1.5	Description of Area Statement		
1.5.1	Tenure		
	<ul style="list-style-type: none"><li>State</li></ul>	Land Use title No. 24: 9,616.28 Ha Land Use title No. 50: 1,934.583 Ha	

		Building Rights No. 5: 14.90 Ha Total Land Tittle: 11,565.76 Ha	
	• Community	- Ha	
	<i>*Tenure area is based on Land Use Title (HGU) certificate No. 24 year of 2004 and No 50 year of 2004 and Building Rights No 5 with scope of permitted area covers Pantai Mas Estate, Katari Estate, Pelantaran Agro Estate and Pundu Nabatindo Estate. The area under scope of Pundu Nabatindo Mill is 2,769.44 ha and the rest of the area (8,796.32 Ha) under scope of Katari Agro Mill and its supply bases.</i>		
1.5.2	Area Statement		
	• Total area	2,769.44	Ha
	• Mature area	1,949.80	Ha
	• Mill	14.90	Ha
	• Housing Complex	27.06	Ha
	• Infrastructure (Road)	85.10	Ha
	• Occupation	614.08	Ha
	• HCV	78.50	Ha
1.6	Planting Year and Cycles		
1.6.1	Age profile of planting year		
	Planting Year	Hectarage (Ha)	
		Pundu Nabatindo Estate	
	1998	888.82	
	1999	594.93	
	2003	331.34	
	2004	45.95	
	2008	11.11	
	2009	44.39	
	2010	11.14	
	2011	9.49	
	2012	11.48	
	2013	1.15	
	TOTAL	1,949.80	
1.6.2	New Planting area after January 2010		33.26 Ha
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle
1.7	Description of Mill and Supply Base		
1.7.1	Description of Mill		
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)
			CPO
			Out put (tonnes)
			Extraction (%)
	Pundu Nabatindo	90	286,974.39
			64,469.03
			22.47
			13,425.31
			4.68
	<i>*Production data source from 12 months before assessment (May 2022 to April 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/h a/year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Pundu Nabatindo	2,769.44	1,949.80	43,054.59	22.08	43,054.59	100
	<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non- certified)	Type of Organization	Number of Smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Pelantaran Agro Estate (Certified RSPO)	PT Windu Nabatindo Lestari	-	1,387.43	6,836.13		
	Pantai Mas Estate (Certified RSPO)	PT Windu Nabatindo Lestari	-	2,299.09	3,586.70		
	PT GSM PNBE (Non-Certified RSPO)	BGA Group	-	257.89	3,927.08		
	Koperasi Harapan Abadi PHRE (Non-Certified RSPO)	BGA Group	2911	5,154	66,945.84		
	Koperasi Harapan Abadi PNRE (Non-Certified RSPO)				69,166.43		
	PT FBI PMSE (Non-Certified RSPO)	BGA Group	-	-	1,499.85		
	PT FBI PAGE (Non-Certified RSPO)	BGA Group	-	-	2,265.65		
	PT Windu Nabatindo Abadi SAGE (Non- Certified RSPO)	BGA Group	-	-	21.94		
	PT Windu Nabatindo Abadi SDME (Non-Certified RSPO)	BGA Group	-	-	1,773.57		
	Other Sources (Non-Certified RSPO)	Out grower	-	-	88,637.79		
	TOTAL					244,660.98	
	<i>*Production data source from 12 months before assessment (May 2022 to April 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 (MT)		Last Year Actual Certified Volume (May 2022 – April 2023) (MT)		
	FFB Processed		62,600		53,477.41		
	CPO Production		14,579		11,993.95		
	Palm Kernel (PK) Production		3,030		2,506.14		
1.8.2	Product selling						
	Type of selling product		Actual selling product for last year (May 2022 – April 2023) (MT)				

	CSPO sold as RSPO certified product		-					
	CSPK sold as RSPO certified product		2,295.31					
	CSPO sold under other scheme		-					
	CSPK sold under other scheme		-					
	CSPO sold as conventional		11,822.81					
	CSPK sold as conventional		-					
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)		
	Pundu Nabatindo		2,769.44	1,949.80	45,000	23.07		
	<i>*Projected FFB production for next 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Pundu Nabatindo	90	45,000	10,350	23.00	2,025	4.50	MB
	<i>*Projected FFB production for next 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	Kotawaringin Timur Regency Kalimantan Tengah	Certified		
			Koperasi Harapan Abadi	2023		Audit On 2023		
			Kelompok Tani Tenera (Independent Smallholders)	2018	Katingan Regency, Kalimantan Tengah	Certified		
			PT Fajar Bumi Nabati (FBI)	2024	Kotawaringin Timur Regency Kalimantan Tengah	Wait RaCP Approval		
			PT Gemilang Subur Maju (GSM)	2024		Wait RaCP Approval		
	Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur Regency, Kalimantan Tengah	Certified		
			Katari Agro Estate					
			Pantai Mas Estate					
	Gunung Makmur	2014	Gunung Makmur	2014		Certified		
			Sungai Mentaya					

(PT Karya Makmur Bahagia)		Bukit Daman		Kotawaringin Timur Regency, Kalimantan Tengah	
		KUD Mekar Jaya	2024		Wait RaCP Approval
		KUD Sekar Tani	2024		Wait RaCP Approval
		KUD Lestari	2024		Wait RaCP Approval
		KUD Marga Rahayu	2024		Wait RaCP Approval
		KUD Usaha Bersama	2024		Wait RaCP Approval
		KUD Tani Santoso	2024		Wait RaCP Approval
		PT Tanah Tani Lestari	2024		Wait RaCP Approval
		Koperasi Hapakat (PT TTL)	2024		Wait RaCP Approval
		Koperasi Rika Bersatu (PT TTL)	2024		Wait RaCP Approval
		Koperasi Usaha Bersama (PT TTL)	2024		Wait RaCP Approval
		Koperasi Eka Kaharap (PT TTL)	2024		Wait RaCP Approval
		Koperasi Berkat Usaha Bersama (PT TTL)	2024		Wait RaCP Approval
		Koperasi Bina Tani (PT TTL)	2024		Wait RaCP Approval
		Kelompok Tani Karya Bersama (Independent Smallholders)	2020		Certified
Bukit Makmur (PT Karya Makmur Bahagia)	2019	Bukit Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Bukit Kecubung	2014		Certified
		Sungai Puring (PT Langgeng Makmur Sejahtera)	2024		Wait RaCP Approval
		Koperasi Telawang Bersatu	2024		Wait RaCP Approval
		Koperasi Hinje Ate	2024		Wait RaCP Approval
		Koperasi Eka Kaharap (PT LMS)	2024		Wait RaCP Approval
Kotawaringin (PT Bumitama Gunajaya Abadi)	2019	Sepantaian	2024	Kotawaringin Barat Regency, Kalimantan Tengah	Wait RaCP Approval
		Danau Merah			
		Kotawaringin			
		Tonam Raya			
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2020	(PT Bumitama Gunajaya Abadi)	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Kumai Hilir Estate (PT Andalan Sukses Makmur)	2023	Kotawaringin Barat Regency, Kalimantan Tengah	Audit On 2023
		PT Investa Karya Bhakti	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023

		Koperasi Kompak Maju Bersama	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Mitra Bahaum	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Tanjung Biru	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Seberang Jaya Sejati	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Pulai Sejahtera	2023	Kotawaringin Barat Regency, Kalimantan Tengah	Audit On 2023
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang District, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
	2024	PT Gunjaya Karya Gemilang – 523.422 Ha Additional HGU	2024	Ketapang District, Kalimantan Barat	LUCA Process
		Koperasi Serba Usaha Bersama	2024	Ketapang District, Kalimantan Barat	Wait RaCP Approval
		Koperasi Binasari			
		Koperasi Serba Usaha Karya Bersama			
		Koperasi Binasari			
		Koperasi Perkebunan Fajar Mandiri			
		Koperasi Rimba Sari			
SukaDamai (PT Rohul Sawit Industri)	2019	PT Masuba Citra Mandiri – 1,567.07 Ha	2019	Rokan Hulu Regency, Riau	Certified 2019
		PT Masuba Citra Mandiri – 326.04 Ha the area which suspect into liability mechanism	2023	Rokan Hulu Regency, Riau	Wait RaCP Approval
		Koperasi Karya Melayu Sejati	2019	Rokan Hulu Regency, Riau	Certified 2019
Pembangunan Raya Mill (PT Agro Sejahtera Mandiri)	2019	PT ASM – 4,861.48 Ha	2019	Ketapang District, Kalimantan Barat	Certified 2019
		KopBun Agro Seriam Mandiri	2019		
		Teluk Rengit (PT Gunajaya Harapan Lestari)	2024	Ketapang District, Kalimantan Barat	Wait RaCP Approval
		PT ASM – 768.72 Ha the area which suspect into liability mechanism	2024	Ketapang District, Kalimantan Barat	Wait RaCP Approval
		Koperasi Bawal Sejahtera Mandiri	2024	Ketapang District, Kalimantan Barat	Wait RaCP Approval
		PT ASM – 494.49 Ha	2023	Ketapang District, Kalimantan Barat	Certified
		Kelompok Tani Sawit Maju Sejahtera (1,022.09 Ha)	2024	Ketapang District, Kalimantan Barat	Wait RaCP Approval

Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2023	Marau Raya	2023	Ketapang District, Kalimantan Barat	Plan for Reaudit in 2023
		KUD Rangkong Bertuah	2025	Ketapang District, Kalimantan Barat	Wait for RaCP Approval
		KUD Rasau Tiga Bersama	2025	Ketapang District, Kalimantan Barat	Wait for RaCP Approval
		PT Agriplus	2025	Ketapang District, Kalimantan Barat	Wait for RaCP Approval
Selucing Mill (PT. Windu Nabatindo Abadi)	2023	Serawak Damai (PT Windu Nabatindo Sejahtera)	2024	Central Kalimantan	Wait for RaCP Approval
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2022	PT. Windu Nabatindo Abadi – 103.68 ha	2023	Central Kalimantan	No NPP have got sanction
		PT Nabatindo Karya Utama – 578.59 ha	2022	Central Kalimantan	Certified
		KSU Sehati Pundu	2025	Central Kalimantan	-
		Koperasi Koling Hapakat	2023	Central Kalimantan	Audit On 2023
Bukit Tunggul Jaya Mill (PT Ladang Sawit Mas)	2020	PT Ladang Sawit Mas	2020	Ketapang District, West Kalimantan	Certified
		KopBun Bukit Tunggul Sejahtera	2023		Wait for RaCP Approval
		KopBun Mitra Perjalanan Permai	2023		Wait for RaCP Approval
		PT Lestari Gemilang Intisawit	2023		Wait for RaCP Approval
		Koperasi Kayong Sekayuk	2023		Wait for RaCP Approval
		Koperasi Mitra Sejati	2023		Wait for RaCP Approval
		PT Ago Manunggal Sawitindo	2023		Wait for RaCP Approval
		PT Nabati Agro Subur	2023		Certified
		PT Sejahtera Sawit Lestari	2023		Wait for RaCP Approval
		PT Karya Makmur Langgeng	2023		Certified
		PT Gemilang Makmur Subur	2023		Certified
		Koperasi Istana Pawan Mandiri	2023		Wait for RaCP Approval

			Koperasi Rungau Sejahtera	2023		Wait for RaCP Approval
			PT Damai Agro Sejahtera	2023		Wait for RaCP Approval
	Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	2023	PT Sentosa Prima Agro	2023	Ketapang District, West Kalimantan	Audit On 2023
			PT Raya Sawit Manunggal	2023		Audit On 2023
			PT Wahana Hijau Indah	2023		Audit On 2023
			PT Hungarindo Persada	2024		Wait for RaCP Approval
	*TBP is approve on 06 March 2023 by RSPO.					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT Windu Nabatindo Lestari has smallholder scheme (KKPA Harapan Abadi). The FFB of KKPA Harapan Abadi are deliver to Katari Agro Mill and Pundu Nabatindo Mill. In 2017 KKPA Harapan Abadi has been conducted RSPO audit, but due to legal issue and major issue the certificate of compliance RSPO is not published. And right now, the Time Bound Plan for KKPA Harapan Abadi planned in 2023.					

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA-1.4	<p>1. <b>Rahmat Abdiansyah (Lead Auditor)</b>. Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&amp;C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, awareness of the RSPO Certification System and the RSPO P&amp;C in 2019 and 2020, and Completed Awareness Social Audit SMETA in 2022, and SCCS RSPO in 2022. During this audit, he assigned to verify legal aspect, land dispute, SCCS, TBP and partial certification aspect, environment aspect, GHG and HCV.</p> <p>2. <b>Sentot Adi Subandono (Auditor)</b>. Indonesian citizen, Bachelor of Agriculture, Department of Agricultural Cultivation. He has five years of experience working since 2005 as Plantation Operational Staff and nine years as Internal Auditor in private oil palm plantations in Indonesia. The training that has been attended includes the Basic Management Development Program of Palm Oil Plantation, Use of Limited Pesticides, Best Practices in Internal Auditing, Fraud Auditing: Prevention, Detection, and Investigation, Operational Risk Approach in Internal Auditing, General Occupational Health and Safety Expert, ISPO Auditor Training in 2016, ISO 9001: 2015, RSPO Lead Auditor Training in 2021, and SMETA awareness training. During this assessment, the aspects of BMP, OHS, and Long Term Budget were verified.</p> <p>3. <b>Afiffudin (Auditor)</b>. Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. In this assessment, he verified the Worker Welfare and Transparency aspect.</p> <p>4. <b>Dinda Febrima Napitupulu (Auditor Trainee)</b>. Bachelor of Social and pursuing her Double Degree Master Program in Environmental Science at Padjadjaran University Bandung and University of Twente The Netherlands. Experienced as Sustainability Officer and Internal Auditor for Environmental Management System (ISO 14001). She has participated in Quality Management System (ISO 9001), ISPO and RSPO trainings. During the audit, she verified the environment aspect, GHG and HCV under the supervision of Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari.</p>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>
ASA-1.4	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for ASA-1.4 at site: 4 days</p> <p>Number of working days for ASA-1.4 at site: 12 Working days</p>
2.2.2	<b>Assessment Process</b>
ASA-1.4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Windu Nabatindo Lestari to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, 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>



Some opportunities for improvement of the results ASA-1.4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase RC.

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 June 12<sup>th</sup>, 2023, at Meeting Room Office. As for the participants who attended the opening meeting included Sub Head Estate and Mill Sub Head, Support Team from Jakarta and other staff at Estate and POM. Closing meeting was held on June 17<sup>th</sup>, 2023, which was attended by the same participants as the opening meeting. Management PT Windu Nabatindo Lestari accept all the ASA-1.4 audit results.

The assessment program please find Appendix 2.

2.2.3	Locations of Assessment
ASA-1.4	<p>The sampling location is considered by the fundamental and crucial issue arise from the documents review and consultation with stakeholder. On this assessment, the visited sample locations, and interview with respondent by auditor team are:</p> <p><b>Pundu Nabatindo Mill (PNBM)</b></p> <ul style="list-style-type: none"> <li>• <b>Security Post.</b> Observation and interview with security related personnel understanding over the applicable SOP, business ethic, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.</li> <li>• <b>Weighbridge station.</b> Observations and interviews related to work procedure, business ethic, workers welfare, training, FFB traceability and supply chain system.</li> <li>• <b>Sorting Station.</b> Observation of FFB sorting work practices according to SOPs, implementation of OHS, business ethic, and environmental aspects.</li> <li>• <b>Sterilizer Station.</b> Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects.</li> <li>• <b>Station Threshing.</b> Observation of FFB removal process according to the SOP, the application of OHS and environmental aspects.</li> <li>• <b>Press Station.</b> Observation of the pulp compression process according to the SOP, the application of OHS and environmental aspects.</li> <li>• <b>Boiler Station.</b> Observation of boiler work process according to SOP, implementation of OHS and environmental aspects.</li> <li>• <b>Engine Room Station.</b> Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects.</li> <li>• <b>Clarification Station.</b> Observation of the oil refining process according to SOP, implementation of OHS and environmental aspects.</li> <li>• <b>Mill Laboratory.</b> Field observations and interview related procedure and the quality of product measurements</li> <li>• <b>WWTP.</b> Observation on WWTP, indication of waste overflow, OHS implementation, and interview with worker about worker welfare, OHS, and company's policies.</li> <li>• <b>Empty Bunch Area.</b> Observation of the management of EFB to composting management the production process of mill.</li> <li>• <b>WTP.</b> Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.</li> <li>• <b>Composting Area.</b> Observation of the management of Solid waste consist of EFB, fibre and shell from the production process of mill.</li> <li>• <b>Laboratory.</b> Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.</li> <li>• <b>Chemical warehouse.</b> Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.</li> </ul>



- Spare part warehouse and PPE stock. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Hazardous Waste Warehouse. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Workshop. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Fuel tank. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Fire Fighting Equipment Storage. Simulation the function of fire extinguishers and team readiness.

#### Pundu Nabatindo Estate (PNBE)

- Chemical Storage. Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- Fertilizer Storage. Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- Hazardous and Toxic Waste Storage. Observation related to hazardous waste management, OHS and environmental aspect.
- HCV Bengkuang River Riparian Area, Block F11 Division 1. Observation the implementation of management in HCV of riparian area.
- Employee Housing Complex, Block F and Block I. Observation and interview related to waste management, house condition and infrastructure for the welfare of workers and their family.
- Daycare. Observation and interview related to daycare condition, public facility, OHS, worker welfare and waste management.
- Rinse House (BMS and BGS). Observation related to implementation of procedure, rinse house conditions, OHS and waste management.
- Landfill, Block I15. Observation related to waste management and environmental aspect.
- Fire Tower, Block K8. Observations related to fire emergency response conditions.
- Spraying, Block K14 – K15. Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- Harvesting, Block K14 – K15. Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- EFB Application, Block K8 – K13. Observations related to work procedures, worker welfare, OHS, and environmental aspects.
- Beneficial Plant, Block G14 – G15 and H14 – H15. Observations related to the maintenance of beneficial plants (*Turnera subulata* and *Turnera ulmifolia*).
- Barn Own Box, Block K11 – K13. Observations related to the use of owls as IPM.
- Terrace and Immature Area, Block K8 – K13. Observation related to soil conservation management and maintenance of immature plants.
- HGU stakes and land demarcation No. 40, No. 104, No. 13 and No. 14. Observation of aspect of land demarcation and maintenance of HGU pole, and land dispute potency.
- HCV Bengkuang River Riparian Area, Block F11. Observation the implementation of management in HCV of riparian area.
- Land application, Block F18 division 1. Observation for waste water management and nutrient cycle strategy.
- Chemical Storage. Observation and interview with worker related to OHS, environmental and worker welfare aspect.
- Hazardous and Toxic Waste Storage. Observation related to hazardous waste management, OHS and environmental aspect.
- Central Pundu Nabatindo Traksi (CPNT). Observation and interview with 3 mechanic and 1 foreman on their understanding towards technical, OHS, License, Labor and environment aspects, as well as facilities provided by the company.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA 1.4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for Pundu Nabatindo Mill PT Windu Nabatindo Lestari was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on website Mutu International on 19<sup>th</sup> May 2023.</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 5<sup>th</sup> June 2023.</li> <li>• Public consultation meeting with government institution on 13<sup>th</sup> June 2023.</li> <li>• Public consultation meeting with communities (Pantai Harapan Village and Pund Village) on 13<sup>th</sup> June 2023.</li> <li>• Public consultation meeting with internal stakeholders and contractor on 13<sup>th</sup> June 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Windu Nabatindo Lestari</p>
2.3.2	Stakeholder contacted
	Please find appendix 1
2.4	Determining Next Assessment
	The next visit (RC) will be conducted eight (8) months to twelve (12) months after date of annual license.

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Pundu Nabatindo POM – PT Windu Nabatindo Lestari subsidiary of Bumitama Agri Ltd. operation consisting of one (1) mill and one (1) oil palm estates.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators were identified. Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence. Those corrective actions taken that consist of two (2) Major non-conformities had been closed out shall be verified during next assessment.

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

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is *Continued*

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The company has these publicly accessible documents, as stated in the SOP Communication WNL-Sust-SOP-09:</p> <ul style="list-style-type: none"> <li>• AMDAL, UKL/UPL, Environment Management and Monitoring Reports</li> <li>• Company manual and policy</li> <li>• Programs related to environmental, legal, and social issues based on RSPO P&amp;C</li> <li>• HCV and Social Impact Assessment</li> <li>• Grievances and complaints details</li> <li>• Summary report of the certification assessment results</li> <li>• GHG calculation and minimize emission program</li> </ul> <p>The document contains a list of accessible information covering relevant legal, social and environmental aspects related to the sustainability system. This document includes land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessments, and human rights policies. The company has shown documents related to mandatory reports that are carried out regularly and sent to government agencies, for example: Environment Management and Monitoring (<i>RKL-RPL</i>) Report of PT WNL for second semester 2022 submitted to Environment Agency of Kotawaringin Timur Regency on 19<sup>th</sup> January 2023.</p> <p>Based on interviews with local communities, local contractors, and internal stakeholders, it is known that the company has conducted socialization regarding the procedures for requesting information and has assigned a person in charge to respond to requests for information. Each party also knows the types of general information that can be accessed. It was</p>	

further explained that publicly accessible documents are specific documents for each operational unit.

#### 1.1.2

The company has these publicly accessible documents, as stated in the SOP Communication WNL-Sust-SOP-09:

- AMDAL, UKL/UPL, Environment Management and Monitoring Reports
- Company manual and policy
- Programs related to environmental, legal, and social issues based on RSPO P&C
- HCV and Social Impact Assessment
- Grievances and complaints details
- Summary report of the certification assessment results
- GHG calculation and minimize emission program.

The documents are available in Bahasa. It contains a list of accessible information covering relevant legal, social and environmental aspects related to the sustainability system. This document includes land certificates, OHS plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and reduction plans, complaints, negotiation procedures, continuous improvement plans, public summary reports on certification assessments, and human rights policies. The company has shown documents related to mandatory reports that are carried out regularly and sent to government agencies, for example: Environment Management and Monitoring (*RKL-RPL*) Report of PT WNL for second semester 2022 submitted to Environment Agency of Kotawaringin Timur Regency on 19<sup>th</sup> January 2023.

Based on interviews with local communities, local contractors, and internal stakeholders, it is known that the company has conducted socialization regarding the procedures for requesting information and has assigned a person in charge to respond to requests for information. Each party also knows the types of general information that can be accessed. It was further explained that publicly accessible documents are specific documents for each operational unit.

The company has reported several mandatory reports on Legal aspects, namely:

- Investment activity report (LKPM) of PT Windu Nabatindo Lestari POM unit for the first quarter of 2023 has been reported as evidenced by a receipt from the Ministry of Investment on April 6, 2023.
- The investment activity report (LKPM) of PT Windu Nabatindo Lestari unit Estate for the first quarter of 2023 has been reported as evidenced by a receipt from the Ministry of Investment on April 6, 2023.
- The PT Windu Nabatindo Lestari HGU Utilization Report for the 2022 period was reported to the Head of the Regional Office of the National Land Agency for Central Kalimantan Province on March 17, 2023.
- PT Windu Nabatindo Lestari's Plantation Business Progress Report for the 1st Quarter of 2023 has been reported to the Agriculture Office of East Kotawaringin Regency on May 10, 2023.

#### 1.1.3

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

Company has documented incoming letter from external stakeholder in Incoming Letter Logbook. Based on that document, the letter mostly about assistance request and meeting invitation. Company also records the response of incoming letter, for example letter on 18<sup>th</sup> November 2022 from Sudan Village No 56/PR-DS/XI/2022 regarding Application for Financial Assistance. The letter was responded by the company on 15<sup>th</sup> December 2022 along with the financial assistance.

#### 1.1.4

The company has SOP in Communication (WNL-SUST-SOP-09) on 1<sup>st</sup> March 2018. The objective of this procedure is to provide practical guidance for handling communications in Occupational Safety, Health and Environmental Protection, and RSPO with internal and external parties. The maximum response is 15 days after information request letter received by

certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

Records of communication with stakeholders are in minutes of meeting of regular/incidental meeting, as well as log book of communication. Based on consultation with stakeholders (agencies, villagers, contractors, labor union, gender committee, etc.) it is known that the stakeholders have understood the mechanism and PIC of communication and consultation to the company. There is no obstacle in communicating with person in charge.

#### 1.1.5

Based on the stakeholder list document verification results, updated on 1<sup>st</sup> February 2023, compiled by the CSR staff, it is known that there are several stakeholders. The external namely, District/Provincial Office 14 stakeholders, Muspika Cempaga Hulu 5 stakeholders, Village Heads 9 stakeholders, community leaders 23 stakeholders, oil palm cooperatives 5 stakeholders, suppliers of stock 10 stakeholders, FFB suppliers 14 stakeholders, local contractor 3 stakeholders, NGO 3 stakeholders, testing vendor and hazardous waste transporter 10 stakeholders, mass media 4 stakeholders, and nearest company 5 stakeholders. The internal stakeholders namely, schools 3 stakeholders, gender committees, and employee organizations, and emergencies responses team.

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

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

### 1.2

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

#### 1.2.1

The unit certification showed commitment to ethical behavior is contained in the Code of Conduct Number BGA-COC-HC-333.1-R0 which was ratified on October 28<sup>th</sup>, 2014, by the Board of Directors. The policy consists of 5 chapters, namely:

- Introduction
- Basic principles of Good Corporate Governance (GCG): Transparency, Accountability, Responsibility, Independence, Fairness and Equality.
- Company ethical standards towards stakeholders (workers, surrounding communities, government, business partners, suppliers/contractors, mass media and shareholders).
- Code of conduct for BGA Group employees, for example:
  - Respect for human rights in accordance with applicable laws and regulations
  - Maintain and care for occupational safety and health
  - Prohibition of immoral behavior, narcotics, illegal drugs, gambling and smoking
  - Avoid personal conflicts of interest (insider transactions)
  - Prohibition of giving and receiving gifts, favors or other facilities (including all forms of corruption/bribery/embezzlement of funds)
  - Conflict of interest
  - Etc.
- Enforcement and reporting
  - Commitment to uphold the code of conduct
  - Violation
  - Violation reporting mechanism
  - Sanctions and consequences.

Socialization regarding this policy has been carried out in every estate and mill unit, for example socialization at the PNBM unit on Mei 9<sup>th</sup>, 2022. This socialization has also been carried out to external stakeholders, for example, when making or renewing a cooperation contract.

Based on interviews with plantation and mill employees, representatives of internal and external stakeholders, it is known that the policy has been understood and implemented in all business operations and transactions, including recruitment and contracts.

**1.2.2**

The unit of certification has a mechanism to monitor compliance and the implementation of ethical business policies and practices through compliance inspection and evaluation. For example, conducting regular internal audits to ensure operational units Comply with policies and SOPs. The scope of the internal audit is the compliance of each unit in plantations and mills with all aspects contained in the RSPO P&C such as aspects of legality, SCCS, labor, environment, BMP and other aspects. The latest internal audit was carried out on May 8<sup>th</sup> – 13<sup>th</sup>, 2023.

In addition, there is a Whistle Blowing System that determines the flow of complaints/reports of violations to all employees, without worry, willing to convey the possibility of fraudulent practices occurring within the certification unit. Based on the results of interviews with workers in the sampling unit, it was stated that workers know about company policies to respect human rights, commitment to ethical behavior in all work operations (code of conduct) and the Whistle Blowing System. Then, there is a statement from a third party (contractor/supplier) who works with the unit of certification that has been given socialization regarding the code of ethics and the Whistle Blowing System before ratifying the cooperation agreement. This is done to ensure that before cooperating with the certification unit, his party does not commit any violations or can report violations if the certification unit commits violations during cooperation.

Based on the results of document review and interviews with management representatives, it is known that the mechanism for monitoring compliance in implementing the code of ethics policy is considered to have been effective. From the results of field visits to the sampling unit (estate and mill) it was also discovered that there were no deviations in business practices.

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

**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**
**2.1**

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

**2.1.1**

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

**Environmental aspect:**

- Environmental permit in Environmental Impact Analysis (ANDAL 2008) document number 16/komisi-kotim/VI/2008 which was ratified on 28<sup>th</sup> June 2008 for the scope of HGU with total area of 9,616.28 Ha and a Palm Oil Mill with a Capacity of 120 Ton FFB/hour.
- Environmental permit according to the decision of Kotawaringin Timur Regent No. 188.45/294/HUK-BLH/2013 on 30<sup>th</sup> May 2013 which refers to the UKL/UPL document for Pundu Nabatindo Mill with a capacity of 120 Tons FFB/Hour and supporting installations, offices and housing in accordance with the recommendation from the Head of the Environmental Agency No. 188.45/294/HUK-BLH/2013. 660/26/RKM/UKL-UPL/BLH/V/2013 on 22<sup>nd</sup> May 2013.
- Permit to utilize palm oil industrial wastewater on the ground (Land Application) number 660/506/DLH-EK.SDA/VII/2017 which was legalized on 24<sup>th</sup> January 2017 stated that the permit validity is 5 years. However, based on the technical directive by the Environmental Agency No 660/58/DLH-TL/VIII/2022 on 1<sup>st</sup> August 2022, it is mentioned that the land application permit is still valid if there is no change in the operational activities.
- Permit for utilization of water resources based on the Decree of the Minister of PUPR (Public Works and Public Housing) Number 132/KPTS/M/2021 which was ratified on February 9, 2021, and is valid for 5 years.
- Permit for temporary storage and/or utilization of hazardous and toxic waste which is valid for 6 hazardous waste storage warehouses within the scope of PT WNL. Permit based on the Decree of the Head of the PMPTSP Office of Kotawaringin Timur Regency Number 018/DPMTSP-PT/LB3/III/2020 which was ratified on 2<sup>nd</sup> March 2020.

**Worker Welfare Aspect:**

- Employment Report (WLTk) of PT Windu Nabatindo Lestari's estates unit with reporting Number



- 74354.20220701.0001, date of report on July 1<sup>st</sup>, 2022, and obligation to report back on July 1<sup>st</sup>, 2023.
- Employment Report (*WLTk*) of PT Windu Nabatindo Lestari's mills unit with reporting Number 74354.20220701.0004, date of report on July 1<sup>st</sup>, 2022, and obligation to report back on July 1<sup>st</sup>, 2023.
- The company has complied with the implementation of minimum wages for all employees in accordance with applicable regional regulations (Decree of the Governor of Central Kalimantan concerning District/City Minimum Wages for 2022 and 2023).
- Overtime pays for workers in accordance with Government Regulation Number 35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Government Regulation Number 36 of 2021.
- All employees have been registered in *BPJS Ketenagakerjaan* and *BPJS Kesehatan* social security.

### Legal Aspect

The company has shown proof of its compliance with applicable regulations related to land legality aspects (HGU and IUP). As for plantation business permits, PT WNL already has a Plantation Business Permit, which was issued by the East Kotawaringin Regent on May 17, 2004 (No. 525.26/151/ V/EKBANG/2004) for a 17,500 Ha Oil Palm Plantation and its Processing Factory. The Pundu factory has a Plantation Business Permit from the East Kotawaringin Regent (No 508/003/IUP-P/EK.SDA/I/2014) on January 6, 2014, with a Mill Processing facility with a capacity of 45 MT/hour to 90 MT/hour.

### BMP & OHS Aspect

- The CH controls weeds and pests using pesticides registered at the Directorate General of Fertilizers and Pesticides, such as Penta Up - Z 480 SL with RI register number 01030120062456.
- The CH has a factory machine permit and is periodically inspected by the authorized agency, such as permit deed no. 18/KAB/A.0101A for boilers that have had their last inspection carried out on December 20, 2022 and recommended a re-inspection on December 19, 2024.
- The CH has a POM that works 2 shifts, has 2 boilers with capacities of 35 and 45 tons/hour. The CH also showed that 3 Operators already had OSH class 1 licenses and 2 Operators who had passed OHS Certification who were awaiting license issuance from the Ministry of Manpower. POM also has an engine room that works 3 shifts, has a generator and turbine with 3 OHS licensed operators. There are also welding tools and 1 certified welder.

### 2.1.2

The unit of certification has procedures regarding Identification and Audit of Compliance with Applicable Legal Rules and Requirements with the number BGA-SOP-CCS-1102.1-R0. The document describes the company's mechanism for ensuring that all legal regulations both local, national and international that have been ratified and related to plantation activities have been complied with. This procedure also ensures that not only the company unit, but also all contractors, suppliers and stakeholders who have a relationship with the company either operationally or are affected. This responsibility is held by the CCS (Corporate Communication Sustainability) Department and the Legal Department. Law register audits are conducted every 6 months or at certain times deemed necessary.

To ensure legal compliance for third parties in the company, routine monitoring is carried out once a year through internal audits. The last internal audit was carried out on May 8th – 13th, 2023. Apart from internal audits, the company also monitors and evaluates third parties (FFB contractors/suppliers) through work results evaluation activities which are carried out at least once a year. The types of evaluation carried out include:

- Willingness to access operations and information for audit purposes.
- Product safety and preservation during product delivery from the factory to the buyer is well maintained.
- Vehicle roadworthy and driving in the factory/plantation in an orderly manner and paying attention to public safety.
- Implementation of employment aspects (worker age, worker wages, employment insurance and health insurance)
- Fulfillment of HSE requirements (PPE, OHS, etc.).
- The certification unit can show evaluation examples to FFB suppliers on behalf of PT Borneo Lancar Abadi on May 1st, 2023.

### 2.1.3

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

27 July 2017. Procedure mentioned that maintenance was carried out by division assistant, Geographic Information System staff, Estate Manager and Legal Manager. Monitoring the boundaries of the HGU is done every 4 months.

Based on documents verifications list of coordinates from National Land Agency Kotawaringin Timur Regency for HGU No 24 obtained is known if Pundu Nabatindo Estate There is 36 Boundary Poles and 24 supporting poles. Monitoring boundaries poles done in 2023 was done in March 2023 with the result all boundaries' stone are in good conditions. During assessment auditor verifies the 4 Poles in Pundu Nabatindo Estate (Pole No 40, 104, 14, and 13). Based on field observations it's know if it was clearly the sighted poles are in well maintained and appropriate with coordinate points.

During a visit to several stakes at PNBE, it was known that the plantations that were the scope of the certification were directly adjacent to non-certified plantations, namely PT Gemilang Subur Maju and also the Harapan Abadi Cooperative.

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

## 2.2

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

### 2.2.1

The unit of certification maintains a list of contractors stating the contractor's name, address, telephone number, job description and others. The list of contractors corresponds to the information in the list of stakeholders and all third parties have been registered, such as CPO and PK transporters, hazardous and toxic waste contractors, etc. The unit of certification has shown a list of contractors for the 2023 period, which are as follows:

- Contractors:
  - PT Surya Mentaya Jaya, Cooperation in CPO transportation.
  - CV Catur Borneo Abadi, Cooperation in PK transportation.
  - PT Karya Murni Prima, Cooperation in heavy equipment rental (such as excavators, grader, etc).
- Partnerships/vendors:
  - PT Semesta Langgeng Sentosa, Cooperation in the transportation of hazardous and toxic waste.
  - PT Danka Dian Kurni, Cooperation in OHS inspection test of process equipment at the mill.
  - Sucofindo and Barestan Banjarmasin, Cooperation in Environmental Analysis.
  - PT Mugi, Cooperation in weighbridge calibration.
- FFB Suppliers:
  - AA Gde Dtiarma
  - Mitra Usaha
  - Sutardi
  - PT Borneo Lancar Abadi
  - CV Tani Subur
  - Sunarti
  - KSU Sehati
  - Murnelis
  - CV Graha Tenera
  - Ani Hartati
  - CV Langgeng Abadi
  - CV Sinar Jaya Borneo
  - Durwin
  - PT Intaran Permai.

The unit of certification also shows work agreement documents with third parties. As an example:

- Work agreement letter number 001/WNL/SPK/VI/2023 between PT Surya Mentaya Jaya and PT WNL for the work of transporting CPO. The work agreement is valid from June 2022, until June, 2023.
- Work agreement letter number 01/MAOU/WNL-SLS/III/2023 between PT Semesta Langgeng Sentosa and PT WNL for the transportation of hazardous and toxic waste. The work agreement is valid from March 1<sup>st</sup>, 2023, until March



1<sup>st</sup>, 2024.

- Work agreement letter number 005/SPKL/PNBM-TBS/XII/2022 between CV Langgeng Abadi and PT WNL for the supply of FFB. The work agreement is valid from January 1<sup>st</sup>, 2023, until December 31<sup>st</sup>, 2023.

The work agreement document displayed contains unit of certification information including name acting as management representative and company address, contractor information in the form of representative name and contractor address, unit of company/contractor rights and obligations, term of work agreement, work location, monitoring, appraisal and payment as well sanctions and settlement of disputes, etc.

### 2.2.2

The unit of certification shows the work agreement document with the contractor/FFB Suppliers. In the cooperation contract it is explained that there is an article which stipulates that the contractor/FFB Suppliers is obliged to follow the labor laws in force in Indonesia. For example, the FFB Suppliers work agreement document between the certification unit and CV Tani Subur number 004/SPKL/PNBM-TBS/XII/2022 dated December 1<sup>st</sup>, 2022. The document explains that the second party must Comply with applicable labor regulations, such as wages for contractor workers, prohibition of the use of underage workers, provision of work facilities, work accident insurance and worker health, etc. In addition, the company also has a contractor procedure number SUST-SOP-038 dated 1 July 2022, which regulates the selection and evaluation of contractors who work with the company.

Based on the results of the document review, it is known that:

- Proof of *BPJS* payment, for example:
  - Proof of payment for *BPJS Kesehatan* for the October 2022 period for CV Tani Subur employees. However, there is no information on the number of workers paid.
  - Proof of payment for *BPJS Ketenagakerjaan* and *BPJS Kesehatan* for the May 2023 period for PT Borneo Lancar Abadi workers. However, there is no information on the number of workers paid.
  - Proof of payment for *BPJS Ketenagakerjaan* and *BPJS Kesehatan* for the January 2023 period for CV Sinar Jaya Borneo employees. However, there is no information on the number of workers paid.
  - Proof of payment for *BPJS Ketenagakerjaan* for the May 2023 period and *BPJS Kesehatan* for the June 2023 period for PT Surya Mentaya Jaya employees. However, there is no information on the number of workers paid.
  - Proof of payment for *BPJS Ketenagakerjaan* for the May 2023 period for CV Catur Borneo Abadi workers. However, there is no information on the number of workers paid.
- Third parties (contractors/FFB suppliers) show proof of payment of wages to contractor staff, for example for the positions of field coordinator, supervisor, administration and others. Here are some examples:
  - Salary slips for PT Surya Mentaya Jaya staff with the initials AF (field coordinator) who receive wages in May 2023 of IDR 5,450,000 with a wage component consisting of a basic salary of IDR 3,810,000, health allowances, functional allowances and premiums.
  - Salary slips for CV Catur Borneo Abadi staff with the initials LK (supervisor) who receive wages in May 2023 of IDR 6,000,000 with a wage component consisting of a basic salary of IDR 3,300,000, fuel and overtime allowances.

However, third parties and certification units have not been able to show proof of payment of wages to implementing workers, such as dump truck/heavy equipment drivers, harvesters, FFB loading and unloading workers, etc.

Based on the results of interviews with representatives of CPO contractors (PT Surya Mentaya Jaya) and FFB suppliers (CV Tani Subur), information was obtained that:

- Payment of wages to dump truck drivers for PT Surya Mentaya Jaya's CPO transport based on yield units, namely IDR 50,000 – 100,000/transportation of CPO. Then, the informants stated that the average CPO transportation in one month is about 25 times the transportation per one driver. However, no evidence of the worker's salary slip has been shown.
- Payment of wages to harvesting workers, loading and unloading FFB and dump truck drivers CV Tani Subur based on a yield unit of IDR 200/kg FFB. However, no evidence of the worker's salary slip has been shown.
- CV Tani Subur only provides PPE for dump truck drivers. Meanwhile, workers who harvest and unload FFB buy their own PPE.

Until the ASA-1.4 assessment is carried out, the unit of certification has not been able to show evidence that the third parties/contractors collaborating have fulfilled legal obligations in accordance with the work agreement and relevant laws and regulations, such as but not limited to *BPJS*, payment of wages, personal protective equipment, and others. Apart from that, the root of the problem, correction, and corrective action to fulfil non-conformances have also not been accepted. Thus, the nonconformity on this indicator (non-conformity Number 2022.01) has not been fulfilled and the status becomes Major.

### 2.2.3

Based on the results of a review of the FFB contractor/FFB supplier work agreement document, for example the CPO transport work agreement letter number 001/WNL/SPK/VI/2023, it is explained that the contractor is required to provide PPE for its workers, guarantee and include all workers in the BPJS program *BPJS Ketenagakerjaan* and *BPJS Kesehatan*, do not employ children under the age of 18, do not practice forced labor and illegal labor. Then based on interviews with the contractor, information was obtained that the contractor representative could explain related to several prohibitions in accordance with labor laws such as the prohibition on the use of underage labor, forced labor and human trafficking.

As a form of compliance with the implementation of the clauses contained in the work agreement, the certification unit evaluates the contractor's performance as outlined in the Contractor Evaluation Form. The criteria assessed in the evaluation are the availability of operational access, product quality, vehicle condition and driving rules, compliance with employment (wages, age, BPJS and workers' insurance) and fulfillment of HSE requirements (PPE and OHS rules in the company). For example, the work evaluation document for FFB supplier PT Borneo Lancar Abadi with work agreement letter number 006/SPKL/PNBM-TBS/XII/2022 for the assessment period in May 2023, received a good score so that the unit of certification recommended continuing work again in the next period.

From the explanation above, it can be concluded that all contracts have their own clauses that prohibit practices involving child labor, forced labor, and workers from human trafficking.

2.2.2	Status: Non-Conformity Number 2022.01 (Raise to Major)
-------	--

### 2.3

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

#### 2.3.1 & 2.3.2

Based on documents verifications obtained information FFB that accepted by Pundu Nabatindo Mill are originally from:

- Estate under scope of certifications (Pundu Nabatindo Estate)
- Certified FFB from other unit that have been obtained certificate (Pantai Mas Estate, Pelantaran Agro Estate)
- Estate or company under subsidiary of Bumitama Gunajaya Agro
- Scheme Smallholders of PT Windu Nabatindo Estate
- Outgrowers that supply FFB to Pundu Nabatindo Estate, where based on data from May 2022 – April 2023 there are 17 FFB Suppliers.

Based on documents verifications the company can presented traceability from outgrowers,/ FFB Collectors in example Bumdes Manggatang Lewu

- Address: Pundu Village, Cempaga Hulu District, East Kotawaringin Regency, Central Kalimantan Province
- Coordinate: Longitude 734.165,59 and Latitude 9.787.630,63
- Land ownerships documents: Land Certificate Letter (*SKT*)
- Planting / operational / Trade permit: Pundu Village Regulation 1289/145/SKU/KDP/XI/2015 concerning the Establishment of Pundu Village Owned Enterprises dated 10 February 2016
- Total Area: 260 ha.

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

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

### 3.1

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

**3.1.1 and 3.1.2**

The CH has prepared a Management Plan in the Financial Projection document for a 5-year planning period (2023 to 2027) for PT WNL, including for Pundu POM and its supply base and Katari POM and its supply base including plasma which is fully managed by PT WNL. The projections include FFB production, replanting, CPO and PK production, CPO and PK revenues, CPO and PK production costs, CPO and PK net income, total plantation costs, total factory costs, management costs, and profit/loss. An example of a projection for 2024 is as follows:

- FFB Production: 179,476 tons
- CPO: 43,074 tons
- PK: 8,076 tons

The replanting plan is also contained in the financial projection document. The CH has plans for 2023 to 2025 for the entire PT WNL. For 2023 it is planned to be 721.25 ha. However, when the audit was carried out, the replanting implementation was in an area outside the scope of certification.

**3.1.3**

The CH has conducted periodic management reviews. Management reviews can take the form of management reviews or field visits. For example, the 2023 management review will be held on May 17, 2023, attended by the Area Controller, Mill Manager, Unit Manager, Sustainability, HR, SSDM, and Commercial Manager. Some of the things discussed included follow-up to previous management reviews, internal audit results, process performance at PNBM, feedback if complaints were received, and performance of third parties working with the Company, environmental monitoring management, HCV plan review, work accidents and worker health. Regarding replanting which is currently being carried out in areas outside the scope of certification.

<b>Status: Comply</b>	
-----------------------	--

**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**
**Environmental Aspects:**

- EFB Management on composting station.
- Maximize the use of renewable fuels with fiber and shell.
- Enrichment and maintenance of woody plants in river border areas.
- Implementation of monitoring and monitoring of EIA in second semester 2022 in accordance with the monitoring and management matrix owned and reporting it to the relevant agencies.
- Record the use of GHG sources and Perform GHG calculations using the RSPO GHG. Explained in more detail in indicator 7.10.1.
- Management of HCV areas by monitoring, enrichment and periodic socialization to the surrounding community.
- Land Application utilization.
- Hazardous waste management through Hazardous and Toxic Waste Storage in permitted location, management and monitoring of Hazardous and Toxic Waste (reported to the Environmental Agency of Kotawaringin Timur Regency).

The continuous improvement action plan refers to the results of EIA and SIA monitoring that have been implemented and will be applied in several future activities including:

- CSR implementation in 2022 and CSR plan in 2023 with participatory approach.
- Development of a "fire-care society".
- HCV Management Plan in 2023 must be improved in terms of quantity and quality for monitoring.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and report it to the Environmental Agency of Kotawaringin Timur Regency.
- Air quality management and monitoring through road maintenance, air quality testing and report to the Environmental Agency of Kotawaringin Timur Regency.
- Management and monitoring of groundwater through testing ground water quality and report it to the Environmental Agency of Kotawaringin Timur Regency.
- Hazardous waste management through Hazardous and Toxic Waste Storage in permitted location, management and

- monitoring of Hazardous and Toxic Waste (reported to the Environmental Agency of Kotawaringin Timur Regency).
- Greenhouse Gas (GHG) Management. Implement a zero-burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

In terms of continuous improvement, the company carries out an RSPO Internal Audit to evaluate compliance with regulations and compliance with RSPO standards. The company can show the RSPO internal audit records conducted on 8-13 May 2023 conducted by the Company's Internal Auditor. From the results of the internal audit there were 4 discrepancies which were corrected by the Company on June 12, 2023.

### 3.2.2

The CH already has an annual report document using the RSPO metric template format that has been provided to the auditor team at the time of the assessment. The summary in the report, for example, is as follows:

Name of RSPO Member	: Bumitama Agri Ltd
RSPO Membership Number	: 1-0043-07-000-00
Name of Certified Unit	: PT Windu Nabatindo Lestari – PNBM
Name of Certification Body	: PT Mutuagung Lestari
RSPO Palm Trace ID Number	: RSPO_PO1000001683
Number of Mills	: 1
Number of Estates	: 1
Production Area (ha) - Estate	: 1949.8
Certified Area (ha) - Estate	: 2769.44
High Conservation Value (HCV) Area (ha)	: 78.5
Peatlands - Planted (ha)	: 0
Peatlands – Unplanted (ha)	: 0
Freshwater Usage per PO produced tons	: 0

Status: Comply

### 3.3

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

#### 3.3.1

The CH has a Plant Cultivation Procedure document contained in the Standard Operational Procedure (Palm Agronomy) which was approved by the Director on 27 May 2011, consisting of 3 volumes, namely:

- BGAAGRKS-SOP-01 Volume 1: Seeding (SOP-01), Land Preparation (SOP-02), Construction and Maintenance of Roads and Bridges (SOP-03), Construction and Maintenance of Ditches (SOP-04), Soil and Water Conservation (SOP-05), Planting Nuts (SOP-06), Planting Palm Oil (SOP-07).
- BGAAGRKS-SOP-01 Volume 2: Weed Control (BGAAGRKS-SOP-08), Fertilization (BGAAGRKS-SOP-09), Pest and Disease Control (BGAAGRKS-SOP-10).
- BGAAGRKS-SOP-I Volume 3: Castration and Canopy Management (BGAAGRKS-SOP-11), Staple Census and Production (SOP-12), Harvest (SOP-13), Pesticide Management (SOP-14), Transport Management (SOP -15), Marginal Land Management (SOP-16), Rejuvenation (SOP-17).

Procedures for processing plantation products are contained in the Factory Operational Control SOP (BGA-SOP-KMB22-RO), approved on September 25, 2012, by the Area Controller. The document contains general provisions and operational conditions for each processing station and also procedures for the laboratory.

The company's procedures cover all main activity processes from land clearing to transporting FFB and for PKS from fruit receipt to CPO despatch. These procedures are also available in each unit and are written in Indonesian.

The results of interviews with workers including harvesters and sprayers, as well as operators at the mill, showed that these workers understood and could explain the SOPs for their respective jobs.

#### 3.3.2

The CH has a mechanism to check the implementation of procedures on a consistent basis. This is contained in Internal Audit SOP No. WNL-SUST-SOP-35. The procedure explains that the scope of supervision carried out by Internal Audit

includes RSPO audits – SCCS, RSP, ISPO, ISO 9001, ISO 14001, OHSAS 18001 at the PT WNL operating unit. Implementation of each of these audits at least once a year or carried out based on the status of the interests of the area to be audited. The results of the internal audit will then be discussed in the management review meeting according to the procedures for the Management Review Meeting. The company also has a Quality Assurance division, whose job is to carry out monthly checks on the quality of operational work both at the Mill and at the Estates.

### 3.3.3

The CH has maintained monitoring and follow-up records of the implementation of procedures in every aspect of operational work. For example, the BNPM and PNBE Internal Audit Reports have been shown in the RSPO and ISPO PT WNL Internal Audit Result Report documents carried out on 08 – 13 May 2023 for the 2023 audit period.

The results of field observations at PNBE, including harvesting and fertilization work, show that workers have carried out work in accordance with existing procedures. The results of observations at the Mill, such as at the Sorting station, also showed that workers had carried out work in accordance with existing procedures. The results of field observations for contractor performance have been discussed in indicator 2.1.2.

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

## 3.4

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

### 3.4.1

The company has several documents related to social and environmental impact assessments. It is conducted independently and in a participatory approach, in addition it also involves the affected stakeholders. The document covers the pre-construction activities, the operation stage and the post-operation stage. Some related documents on SEIA as follows:

#### Environmental Impact Assessment (EIA)

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

- Environmental permit according to the decision of the Kotawaringin Timur Regent No. 188.45/294/HUK-BLH/2013 on 30<sup>th</sup> May 2013 which refers to the UKL/UPL Document for the Pundu Nabatindo Mill with a capacity of 120 Tons FFB/Hour and supporting installations, offices and housing in accordance with the recommendation from the Head of the Environmental Agency No. 188.45/294/HUK-BLH/2013. 660/26/RKM/UKL-UPL/BLH/V/2013 dated 22 May 2013.
- UKL/UPL documents for Pundu Nabatindo Mill with a capacity of 120 Tons FFB/Hour and supporting installations, offices and housing in accordance with the recommendation from the Head of the Environmental Agency No. 660/26/RKM/UKL-UPL/BLH/V/2013 dated 22 May 2013 and environmental permit according to the decision of the Kotawaringin Timur Regent No. 188.45/294/HUK-BLH/2013 dated 30 May 2013.

Aspects that need to be managed in the document metrics include:

AMDAL 2008 (PT WNL)	UKL-UPL 2013 (Pundu Nabatindo Mill)
Soil properties (fertility)	Negative perception
Surface water quality	Increased employment opportunities and community income
Abundance of benthos	Work accident
Population number and distribution	Noise due to PKS operations
Job and business opportunities	Air quality due to generators and boilers
Income level and public unrest	Wastewater quality
Potential accidents and disease transmission.	Fish type
	Solid waste
	Clean water quality from the WTP process
	Hazardous and Toxic Waste and Domestic Waste
	Soil quality
	Monitor well water quality and surface water quality.



The company develops the social management by involving independent parties in conducting social impact assessments related to the company's operational activities. The first social impact assessment was done by Bogor Agricultural Institute on 26<sup>th</sup> July 2010 to 6<sup>th</sup> August 2010. As an effort to improve and pay attention to the latest situation, the company will carry out a Social Impact Review and Update, due to the dynamic social situation and the company's concern to build and maintain the company's sustainability.

Data is collected in archives or published historical reports, references from AMDAL, HCV documents, local government literature, and notes on CSR implementation. The aspects of the assessment are Economic Life (Natural Potential, Livelihoods, Local Economy, Food Security, Vulnerable Groups, Company Contribution, Plasma Plantation Development) and Social and Cultural aspect. Meanwhile, another secondary data is obtained indirectly through intermediary media in the form of published evidence, records, archives, or historical reports. Retrieval of secondary data through literature studies. Secondary data is obtained from related units in order to record the impact management as well as additional data from relevant affected parties. The reading material used is documentation of the implementation of impact management, internal company data, correspondence between the company and affected parties, and so on. Secondary data is also obtained from parties that are not directly related, such as sub-district data or news or pages from the media.

The company has conducted Social Impact Assessment (SIA) Program for Palm Oil Plantations and Mills within the scope of PT. Windu Nabatindo Lestari and carried out by Lingkar Komunitas Sawit (LINKS) that has started in December 2018 and has completed in June 2020. The scope of SIA study is not carried out per unit but the company's overall scope. The methodology used is a qualitative approach and primary and secondary data collection, with the coverage of the study areas, namely Pundu Village, Bukit Batu Village, Pelantaran Village, Sei Ubar Mandiri Village, Keruing Village, Village Harapan Beach, Sudan Village and Bukit Raya Village. There are 70 external participants for the program, including village officials, community leaders, managers of oil palm cooperatives, farmers, trade unions, employees and residents of employee housing. In addition, there are 108 internal respondents include management and employees. The SIA review includes:

#### External

- Tenure conflict.
- Provide information to owners of enclave land in land use title (*HGU*).
- Free prior and informed consent (FPIC).
- Improving communication with stakeholders.
- Increase human resource capacity.
- Job opportunity information.
- Improving community economic empowerment and food security.
- Improving the quality of education for the nearest community.
- Improving the health quality of the nearest community.
- Improving the management and strengthening of plasma institutions.
- Increase the productivity of plasma plantation production.

#### Internal

- Reforming the labor system.
- Improve employee housing facilities.
- Education on waste sorting and disposal
- Improving public facility services.
- Strengthening the institutional gender committee and employee cooperative.
- Increase knowledge of SOP and OHS.

The employees receive significant positive impact, such as the utilization of public facilities. The presence of Labor Union is helpful in assisting the needs between employees and the company management regarding the employment issue.

#### 3.4.2

Based on document review, it can be concluded that all management and monitoring parameters requested in

environmental documents have been implemented. For example, the implementation of environmental management for important impacts of air quality by installing dust collectors, increasing the height of the mill chimney, and replanting around the mill. The company has evaluated each significant impact for monitoring parameter that is applied as required in KepmenLH 45 of 2005, which includes an evaluation of trends, evaluation of critical levels, and evaluation of compliance. Based on the evaluation results, it is known that all parameters are still suitable by the related Quality Standards, and there is no indication of contamination.

The implementation of environmental management has been carried out in accordance with all RKL-RPL documents and Environmental Permits owned by the company. The certification unit makes 3 RKL-RPL reports because the scope of the Katari Agro Mill certification has 3 UKL-UPL matrixes. The environmental management report is carried out every semester and submitted to Environmental Agency of Kotawaringin Timur Regency. The last report was carried out on 19<sup>th</sup> January 2023 for the RKL-RPL Report second semester 2022. Based on the report, it is known there is no negative impact caused by the company.

The social impact monitoring and management plan has been managed and monitored through the SIA Management and Monitoring Plan for 2022 based on the results of the 2018 SIA study. The surrounding community needs identification is carried out by gathering the information from Musrenbang (Forum for Development Planning) result. The results of the identification of social aspects include social, economic, environmental, land ownership, socio-cultural aspects, employment, stakeholder aspects, aspects of general conditions and characteristics of the surrounding community such as geographical conditions around plantations, general conditions of the village environment (health level, population, education, health, economy, agriculture).

The document also describes in detail the conditions and characteristics of the community, strategic issues, employment issues and stakeholder relations, company impacts, social impact management, conclusions and recommendations. Participatory approach can be shown by the conclusion of development insight from participants and the presence of participants in attendance lists. The participants are some people from nearby villages. The SIA management plan is submitted to each unit with a clear PIC and timeline and is made annually. Each unit has monitoring indicators, monitoring methods, PIC, and frequency of activities set out in their framework. In addition to these programs, the company also provides budget/cost estimates for the implementation of each program. These programs are structured according to the identification of the needs of the surrounding community.

Based on documents review and interview with stakeholders (Labor Union, Gender Committee, and Katari Hamlet Keruing Village), it is known that SEIA is conducted in participatory approach. The updated SIA program has identified the positive and negative impacts for internal and external stakeholder, as well as biodiversity, effect of company operational activities, among others in aspects of livelihood, health, land tenure, employment, education, economy, social, cultural and religious, etc. Based on document review, and stakeholder consultation, known that the SEIA documents has covered all operational area and impacts of its activities.

The social impact management and monitoring plan has been developed with the participation of widely affected stakeholders. The plan includes internal & external grievance, social conflict, land tenurial and community satisfaction.

Based on the document verification and interviews with relevant stakeholders, SIA program has done in participatory approach and suitable with the company operational activities.

### 3.4.3

The company has the Environmental Monitoring and Management Plan and report it to the Environmental Agency of Kotawaringin Timur Regency on 19<sup>th</sup> January 2023 for the second semester of 2022. The implementation of Environmental Management and Monitoring is carried out in accordance with the direction as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis. It means the management and monitoring plans are in sync with the actual implementation.

The RKL-RPL document also shows that the company has managed all the impacts recommended in the UKL-UPL Documents. In general, the forms of evaluation carried out by the company include Trend Evaluation, Critical Level Evaluation, and Compliance Evaluation. Numerous things can be concluded from the RKL-RPL document, for instance:

- Environmental management in plantations and palm oil processing factories with 3R (Reuse, Recycling and Recovery) and IPM (Integrated Pest Management) principles.
- Environmental management by utilizing palm oil mill solid waste. Shells and fiber are used as boiler fuel. EFB is used as compost and organic fertilizer in Estate.
- Palm Oil Mill Effluent (POME) is applied as a substitute for liquid fertilizer in Estate. All POME produced is used as fertilizer, nothing is discharged into water bodies/rivers.
- BOD of POME that is applied to the land has met the requirements according to KepmenLH No. 28 of 2003, seen from the monthly tests carried out.
- The measured emission quality of the boiler chimneys is below the required quality standards.
- Ambient air quality and noise are still below the quality standard for employee residential areas and for locations around PKS.
- The quality and quantity of groundwater taken from monitoring wells still meet quality standards. The quality standard used is Permenkes 32/2017.
- Surface water quality still meets the class III quality standard, no indications of significant surface water contamination were found by plantation or factory activities.
- The quality of biota in the waters of PT WNL is moderate and less stable.
- There are no health problems caused by the direct operation of the palm oil plantation and Mill.
- Relationship with the community is well-maintained through the company's involvement in various activities in the surrounding community, it can be shown by CSR documents.

Based on the field observations, it can be seen that the company has carried out environmental management in accordance with the RKL-RPL by installing warnings for conservation areas, prohibits hunting protected animals. Based on the results of interviews with sprayer and fertilizer workers, they also stated that they were aware of the prohibition on applying chemicals to the buffer zone or riparian and reservoir.

SIA Management and Monitoring Plan PT WNL describes monitoring indicator, monitoring method, PIC and frequency. The evaluation is stated in Social Evaluation and Monitoring PT WNL 2022 report. There are external and internal program category. The report explanation includes program name, implementation, documentation, and evaluation. The examples of external programs are routine coordination with stakeholders, training on best management practice in plantation, socialization on open recruitment in PT WNL, identify and analyses economic potential in nearby villages, and providing health facility. From the evaluation remarks, it can be concluded that the programs are implemented as plan, although there are still some ongoing programs. The examples of internal programs are training to the daycare staff, support to the labor union, office public facility maintenance program, and training on OHS. The company can show the detail progress of each mentioned program in the report. Based on the interview with nearby villages, some program can be confirmed for its implementation.

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

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

3.5.1  
The company has procedures for recruitment, promotion, retirement, and termination of employees which are contained in:

- SOP Employee Recruitment and Selection number BGA-SOP-HC-304.1-R0.
- SOP Selection and Recruitment of Employees number WNL-SOP-HRD-001.1-R0.
- Intern Office Memo number 018/IOM-A/BGA-HC/IV/19 which explains the guidelines for the recruitment of non-staff plantation workers.
- SOP Employee Promotion number BGA-SOP-HC-307.1-R1 Revision 1.
- Memo number 001/MEMO-BGA/HC-BCU/1/2023 which explain promotion of internal employees through training elementary development program.
- Intern Office Memo number 006/IOM-A/HR/II/10 which explain steps to determine the monthly employee job grading
- Procedures for Pension of employment as contained in CHAPTER II PT WNL Company Regulations for the period 2021 – 2023.



- Procedures for Termination of employment as contained in CHAPTER VIII PT WNL Company Regulations for the period 2021 – 2023.

Routine socialization regarding procedures and Company Regulations is given to workers. For example, socialization at the PNBM unit, which was held on May 9<sup>th</sup>, 2022, and during morning assembly in each unit before starting work. Based on the results of interviews with workers in plantation units and factories as well as bipartite representatives, it is known that workers have understood the recruitment, selection, promotion and other employment procedures contained in company regulations and other procedures.

From this explanation it can be concluded that the unit of certification has procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment.

### 3.5.2

The unit of certification has been always documented all labor procedures. The following are examples of employment procedures that have been implemented and well documented by the company, for example:

- Recruitment of workers, as an example in PNBE unit, an employee with the initials TRS sends a letter of application by attaching identity documents (copy of e-KTP, family card, last diploma/diploma, etc.). Workers are accepted to work as harvester with permanent daily workers status with the condition that they undergo a probationary period of 3 months. Then, the certification unit shows the decree on appointment of permanent daily workers number 07/WNL-PTH/WIL-3/PNBE/X/2021 which explains that workers with the initials TRS are accepted as harvesters on October 23<sup>rd</sup>, 2021. At the recruitment stage, this workforce has been selected based on the applicable procedures, namely through the stages of administrative selection, medical examination, and interviews. Then, the unit of certification also shows supporting evidence in the form of a copy of the work agreement document given to the worker. This is indicated in the document proof of handover of a copy of the work agreement. Based on the results of interviews with workers, information was obtained that the certification unit does not retain personal documents and there is no fee at the time of recruitment.
- Promotional documents for workers with the initials MNT (harvesters) listed in decree number 053/WNL-PTH/WIL-3/PNBE/IX/2021 dated September 21<sup>st</sup>, 2020. The document explains that the worker is promoted to permanent employee (*PTH*). The company also shows the results of the performance appraisal of employees with the initials MNT with the evaluation criteria of morality, capability, integrity and presence which are the basis for considering employee promotions.
- Workers' retirement documents with the initials SRKW listed in the Collective Agreement number 026/WNL/PB/VII/2022 dated July 8<sup>th</sup>, 2022. The document explains that the worker has reached retirement age and is no longer registered as an employee in the PNBE unit (PT WNL). The unit of certification shows the official report and documentation of severance pay, long service awards and compensation for workers' rights, the calculation of which has been adjusted according to the applicable laws and regulations.

The explanation above proves that the unit of certification has implemented proper and documented work procedures for each worker.

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

## 3.6

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

### 3.6.1

#### Hazard Identification Risk Assessment and Control

HIRAC describes Activities, identification of potential hazards (source/event, impact), existing controls, initial risk analysis (level of likelihood, severity, level of risk). The activities identified include all operational activities at the estate and mill, such as manual maintenance, chemical application, fertilization, harvesting, transporting FFB, sorting FFB, and processing into CPO and Kernels. Identification has also been carried out for supporting activities such as pest and disease monitoring, BOB (Barn Owl Box) monitoring, HCV monitoring, Tower of Fire, etc. The CH has also evaluated the Identification of Environmental Impact Aspects and Material Risk and OHS Analysis documents by considering work accidents, the addition of new types of work or the use of new equipment/technology.

**OHS Program**

OHS programs that have been implemented by The CH include monthly OHS Committee meetings, routine OHS Committee reports to the Manpower Office, safety inspections, periodic health checks, recording work accidents, first aid checks, PPE checks, OHS training, emergency response simulations, socialization of SOPs, material handling toxic and dangerous, fire hazards, use of APAR, MSDS and hazardous material symbols and others.

**The realization of the OHS plan.**

- **Medical Check-up:**

There are results of blood chemistry examinations (SGOT, SGPT, Ureum, and Creatinine) and X-rays for 28 PNBE workers which were carried out on August 18, 2022. The results of the examination released by the Prodia Laboratory stated that all workers who took part in the health examination had heart and lung conditions. Good. For the examination of all workers, both estate and POM workers, it is known that the estate health examination was carried out on 19 January 2023 and 07 February 2023 independently, accompanied by the distribution of vitamins and vitamin injections.

- **OHS Aspect Inspection:**

This includes vibration checks at PNBM on April 3, 2023, to May 8 2023 with results below the threshold. Noise inspection at PNBM on 03 April 2023 to 08 May 2023, with results above the threshold for the engine room, kernel, press, boiler and sterilizer stations. Periodic inspection of completeness of PPE, periodic inspection of fire extinguishers, first aid kits including first aid bags. There are daily, weekly and monthly checks. The responsible official is the secretary of the K3 Committee.

- **OHS Training and Socialization:**

Routine briefings are held every morning. Themes discussed include the obligation to use PPE, safe working methods, handling work accidents, basic first aid training and socialization about the Covid-19 pandemic.

- **Work Accident Monitoring:**

During the period January – May 2023 in the PNBM and PNBE areas there were no work accidents that resulted in lost work days. Work accidents that occurred, such as being hit by a thorn, have been resolved using existing first aid kits. Work accidents have been reported routinely to the relevant agencies.

**3.6.2**

The CH has conducted regular management reviews. Management reviews can be in the form of management reviews or field visits. For example, the 2023 management review will be held on May 17, 2023, attended by the Area Controller, Mill Manager, Unit Manager, Sustainability, HR, SSDM, and Commercial Manager. Some of the things discussed included follow-up to previous management reviews, internal audit results, process performance at PNBM, feedback if complaints were received, and performance of third parties working with the Company, environmental monitoring management, HCV plan review, work accidents and worker health.

The CH also has an OHS Committee in each unit which is responsible for the implementation of OHS aspects. One of the activities of the OHS Committee is to conduct monthly evaluations regarding the implementation of the OHS program. For example, at the meeting on March 28, 2023, which was attended by, among others, the Sustainability Department, Managers, Assistants and Mantri Units. Discussed, among others, the HIRAC evaluation related to work accidents that occurred, follow-up plans for socialization Return to workers related to OHS aspects, as well as PPE inspections.

The company has several K3 plans, one of which is stated in the PT WNL SOP with the code WNL-SUST-SOP-25, approved by RH regarding Management & Prevention of B3 Spills and Leaks, revision 01 dated 16 July 2021, which regulates, among other things, the storage of B3 & LB3 packaging. Required in operating units, following the SOP for handling chemicals and SOP for handling LB3.

Chemical Management SOP with code WNL-SUST-SOP-13 Revision 02 approved on June 9 2022 regulates:

1. MSDS in Bahasa.
2. Installation of symbol B3

3. Chemical storage areas are identified by signs indicating restrictions and potential dangers; they have a watertight floor, are not slippery, have no cracks, and form a bermed retention area; designed to retain 110% of the largest container / 50% of inventory (depending on which is largest); and equipped with an MSDS which is placed adjacent to the material.
4. Storage conditions, if there is B3 that is not used up in one use, it must be isolated independently: only a small inventory in the process area.
5. Spill containment and spill absorption facilities must be provided.

The results of field observations at PNBM are known.

- There are 2 diesel fuel tanks with a capacity of @ 512 liters each in the engine room area, which are not yet equipped with spill containment facilities, symbol B3, and MSDS.
- There are several sacks of CaCO<sub>3</sub> in the kernel area, which are not yet equipped with the B3 symbol and MSDS, with the floor not being tightly closed which has the potential for spills.

The company shows evidence of improvements in PNBM, in the form of:

- Construction of spill containment facilities for tanks, and has been equipped with MSDS and symbol B3, which is shown in the Minutes of installation of MSDS, symbol B3, and containment tanks on June 16, 2023.
- Replacement of the Calcium Carbonate container floor in the Clay bath kernel area and has been equipped with an MSDS and symbol B3, which is shown in the Minutes of installation of the MSDS, symbol B3, and Calcium Carbonate container on June 16, 2023.

However, these improvements have not yet identified the root of the problem and corrective action so that this incident does not happen again.

The company has not been able to show evidence of implementing and monitoring the K3 plan to handle K3 risks peopling in accordance with the SOP it has. This becomes the NCR 2023.01.

3.6.2	Status: NCR 2023.01 with major category
-------	---

### 3.7

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

#### 3.7.1

The unit of certification has identified and developed a training program related to aspects of the RSPO P&C for all staff, workers, smallholders and local stakeholders in 2022 and 2023. The following are the results of the identification and training program plans listed in the Training Calendar year of 2022 and 2023, among others:

- Training on work techniques (harvest, spraying, manuring, pruning, etc), pest and disease census, training on types of pesticides, supply chain requirements, first aid, OHS, PPE, HIRAC, fire simulation, fire extinguisher, hazardous toxic and waste, and company policy for plantation workers.
- Training on operator work techniques (OHS training of steam aircraft, production aircraft, welders, etc), first aid, PPE, HIRAC, fire extinguisher, emergency response, and company policy for mill workers.
- Training and socialization of RSPO, ISPO, company policy and communication and complaint procedures for contractor workers, smallholders, stakeholders and communities around the company.

Based on the results of interviews with workers, contractors and village community representatives (Pundu Village), it is known that every year the company organizes training and outreach programs to all parties around the company. The resource persons also understood the results of the training activities, for example the harvest workers in Block K14 – K15 PNBE unit stated that all harvest workers had received training on how to harvest.

#### 3.7.2

The unit of certification shows the minutes document for the realization of the 2022 training program, here's an example:

- Fertilization technique simulation and training which was held on March 13<sup>th</sup>, 2023, and attended by 12 fertilizer workers.
- Spray technique simulation and training which was held on March 15<sup>th</sup>, 2023, and attended by 13 spray workers.
- Simulation and training on high palm oil techniques, PPE and HIRAC which was held on April 29<sup>th</sup>, 2023, and

attended by 49 harvest workers.

- Press station processing training, which was held on May 31<sup>st</sup>, 2023, and attended by 2 press station operators.
- FFB sorting training held on June 6<sup>th</sup>, 2023, and attended by 3 sorting officers.
- Electrical operational training with turbines which was held on April 18<sup>th</sup>, 2023, and attended by 2 machine room operators.

Based on the results of interviews with workers, contractors, and village community representatives (Pundu Village), it is known that every year the company organizes training and outreach programs to all parties around the company. The resource persons also understood the results of the training activities. For example, the spray workers in Block K15 of PNBE unit stated that all sprayers had received training on how to spray, calibrate spray equipment, etc.

Based on the description above, the unit of certification has proven that there are training activities for all staff, workers, plasma smallholders and stakeholders. Records of training activities have been maintained in the minutes document.

### 3.7.3

The training program period of 2023 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2023 was conducted in 23 March 2023. The training was subjected to RSPO SCC System. Training attended by relevant personnel in mill and estate. The personnel's who involved training from mill are production clerk, weighbridge clerk, security, assistant, and other relevant staff, furthermore the participants from estate are harvesting supervisor, field assistant, head of administration, transportation clerk, harvesting clerk, production clerk and other staff.

Based on interviews with the workers involved in SCCS operations, such as security (for FFB receiving verification), weighbridge operator (for dividing the amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data), knowing that the workers understood the SCCS mechanism, and the MB record has conducted and monitored well. Furthermore, based on interview with field assistant, production clerk and other estate staff they also have an understanding related to RSPO including the certified and non-certified area as well as adding stamp 'FFB certified' in consignment letter of FFB from certified area.

Status: Comply

## 3.8

### Supply Chain Requirements for Mills

#### 3.8.1 & 3.8.2

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

#### 3.8.3

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-1.4 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (19 December 2022 – 18 September 2023) + Extension Volume (MT)	Actual (May 2022 – April 2023) MT	Estimate Production of 12 month (MT) further
FFB Certified (MT)	62,600	53,477.1	45,000
CSPO (MT)	14,579	11,993.95	10,350
CSPK (MT)	3,030	2,506.14	2,025

Based on the table above, it is known that there is no overproduction by the company.

#### 3.8.4

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

- Member Name: PT Windu Nabatindo Lestari - Bumitama
- License ID: CB141607
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000001683
- RSPO Membership Number: 1-0043-07-000-00 (BUMITAMA AGRI LTD)
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

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

### 3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain (No. SUST-WNL-SOP-43, revision R2 dated 23 July 2022). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palmtrace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

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

The regular dissemination and training of the procedures has been conducted on 23 March 2023. Based on field interview, obtained information that key persons for SSCS implementation (such as weighbridge operators, security, and Head of Administration) have understood the supply chain implementation.

### 3.8.6

The procedure to conduct supply chain internal audit already set in the SOP of supply chain. In the SOP mentioned that internal audit will be conducted annually. Internal audit of RSPO supply chain conducted simultaneously with P&C audit on 08-13 May 2023. All of supply chain standard and rules on market communication and claim has been assessed, and the CARs have been complied.

Management Review of RSPO SCCS implementation conducted on 17 May 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

### 3.8.7

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 12 months before audit:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
May-22	4,190.72	22,976.40	27,167.13
June-22	4,856.94	26,475.27	31,332.21
July-22	4,899.78	21,598.55	26,498.34
August-22	5,422.15	24,192.52	29,614.67
September-22	5,866.48	20,311.83	26,177.31
October-22	4,860.57	22,976.74	27,837.31
November-22	5,304.54	16,654.23	21,958.77
December-22	4,080.46	12,878.85	16,959.31



Janusry-23	2,663.15	13,188.49	15,851.64
February-23	4,468.23	14,735.02	19,203.25
March-23	3,777.88	18,248.70	22,026.58
April-23	3,086.50	20,002.56	23,089.05
<b>Total</b>	<b>53,477.41</b>	<b>234,238.16</b>	<b>287,715.57</b>

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-1.4 report (basic info 1.8.3), in reasonable amount taking into account the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (19 December 2022 – 18 September 2023) + Extension Volume (MT)	Actual (May 2022 – April 2023) MT
FFB Certified (MT)	62,600	53,477.1
CSPO (MT)	14,579	11,993.95
CSPK (MT)	3,030	2,506.14

Based on the table above, it is known that there is no overproduction by the company.

Mechanism to handling and control nonconformance product are described in SOP that regulating among others controlling / handling of raw materials received (FFB), product identification in process, control of final product to be shipped to buyer and controlling/handling the improper document. In the procedure described if any occurring of non-conforming of oil product or document, the product is not claimed to be an RSPO certified product.

### 3.8.8

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since December 2022 until May 2023 it was known CSPK sold there are 749.83 MT CSPK sold as certified products .

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example selling document for shipping announcement with transaction id TR-50f1a17a-a042 for CSPK model MB on 16 February 2023 as many 498.83 with the buyer are PT Sinar Alam Permai, the unit can present several documents as follows:

- The name and address of the buyer (PT Sinar Alam Permai - Sampit);
- The name and address of the seller (PT Windu Nabatindo Lestari – Pundu Nabatindo POM in Kotawaringin Timur)
- The loading or shipment / delivery date during period 30 November 2022 as presented in the document weighbridge ticket and Consignment letter.
- Minutes of delivery of 500,000 kg of goods on 30 November 2022 (0225/SIPB/WNLL/2022) with contract number 1140070114
- A description of the product supply chain model (Mass Balance)
- The quantity of the products delivered (8.71 ton).
- Any related transport documentation (transport by CV Catur Borneo Abadi).
- RSPO certificate number (MUTU-RSPO/042).

### 3.8.9

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

- Agreement with CPO Transporter of PT Surya Mentaya Jaya No. 001/WNL/SPK/VI/2023 dated 08 June 2023, valid

until 08 June 2023.

- Agreement with PK Transporter of CV Catur Borneo Abadi No. 002/WNL/SPK/VI/2023 dated 08 June 2023, valid until 08 June 2023.

To ensure the contractors complies with the RSPO Supply Chain, in the agreement, there were clauses that set obligations of the contractor to comply with the supply chain rules. For instance, the responsibility to deliver products only from Pundu Nabatindo Mill, as well as the willingness to observe by Certification Body and the company internal audit in order to verify the compliance. One of the mechanisms to ensure that the products delivered only from the Mill, in the vehicle is mounted on a seal that can only be opened at the buyer's location. During audit team auditor contacted local contractors (PT Surya Mentaya Jaya) and the contractors can be reached as well as informed regarding clausal that ruled in work agreement.

### 3.8.10 & 3.8.11

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

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

### 3.8.12

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

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

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

#### CSPO

Month	CPO (ton)		Total
	Certified	Non-Certified	
May 2022 – April 2023	11,993.95	52,475.09	64,469.04

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme	Conventional	
May 2022 – April 2023	-	-	11,822.82	11,822.82

#### CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
May 2022 – April 2023	2,506.14	10,919.17	13,425.31

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Conventional	
May 2022 – April 2023	2,295.31	-	-	2,295.31

Based on the table above, there are no sales that exceed CSPO and CSPK production by the company.

### 3.8.13 & 3.8.14

Based on document verification and interviews with management, it is known that there is no conversion rate of CPO (OER) and PK (KER) production applied by the mill. For example, for OER and KER in the period February 2023, OER is 22.46% and KER is 4.60%.

### 3.8.15

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

### 3.8.16

RSPO IT Platform member registration number for Pundu Nabatindo Palm Oil Mill is RSPO\_PO1000001683. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example, Certified PK sold to PT Sinar Alam Permai dated 07 January 2023 for 498.83 MT and transaction creates in IT Palm Trace dated 16 February 2023.

The unit of certification can present removing allocated product from palm trace, based on documents and verification through RSPO IT Platform, as presented table below:

- Dated 23 May 2023 CSPO for 1,000 MT (transaction ID: ST-TR-5490a51b-de37).
- Dated 16 June 2023 CSPO for 115 MT (transaction ID: ST-TR-4edc3a5d-385c).

### 3.8.17

The company has made claim of RSPO certified product in the off product such as WB ticket, salescontract, and delivery order. Claims regarding RSPO certified oil production by the Company have complied with RSPO Regulations on Market Communications and Claims. This is proven by the absence of the use of the RSPO Corporate Logo and this is in accordance with the provisions in the RSPO Rules on Market Communications and claims.

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

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

### 4.1

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

#### 4.1.1

The unit of certification has made a policy to respect human rights as outlined in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head.

The policy states the principles that the certification unit is committed to complying with laws and regulations in the field of employment and upholding human rights in the framework of developing sustainable oil palm plantations. This policy is available in Indonesian and has been communicated to all employees and local stakeholders. For example, the socialization of human rights policies on May 9<sup>th</sup>, 2022, in the PNB unit. This policy has also been disseminated to external stakeholders, for example, when making or renewing a cooperation contract.

Based on the results of interviews with *LKS Bipartit* representatives, gender committees, local contractors and representatives of the Pundu Village community, it is known that there were no incidents of human rights violations in the certification unit, no employees were intimidated and/or experienced violence by the certification unit.



**4.1.2**

The unit of certification does not have records regarding the use of force/army/paramilitary in resolving conflicts/problems that exist between the unit of certification and relevant stakeholders (local communities, workers, or others). This has been stated in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. In point 5 it is explained that the certification unit is committed not to carry out acts of extrajudicial intimidation or violence in any form against human rights defenders, including the use of military/security forces.

Based on the results of interviews with representatives of *LKS Bipartit* and representatives of the gender committee and external stakeholders, it is known that the unit of certification does not use paramilitaries or mercenaries in the company's operational areas. If there is a problem, it will be resolved by means of deliberation without resorting to violence. Resolution of conflicts/problems with deliberations is quite effective.

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

**4.2**

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

**4.2.1**

The certification unit has Communication SOP number WNL-SUST-SOP-09 Revision 1 which was approved by the Regional Head. The procedure explains that the steps for submitting complaints can be conveyed in writing and orally through staff appointed as communicators. The maximum response time for complaints is 15 days after the information is received. The document also explains that if a complaint arises in the RSPO complaint process, the unit of certification through the relevant department will handle the complaint in accordance with the RSPO process. Then, the certification unit has recapitulated all complaints and conflicts submitted by all affected parties around the unit of certification in the Complaints and Responses Recording Book/Logbook. Based on the results of the document review, it is known that during 2022 there were no conflicts reported to PT WNL.

The results of interviews with daycare workers in each plantation unit, workshop staff at the mill unit, local contractors, representatives of the Pundu Village community and government agencies in Kotawaringin Timur Regency, it is known that they understand how to communicate and consult with companies because procedures related to complaints and conflicts have been submitted periodically to all parties. For example, the socialization which was held on May 9<sup>th</sup>, 2022. Then, based on the results of field visits in the company's operational areas, there are whistle blowing sign boards that have been installed in public places such as in employee housing locations, in front of estate offices, and other strategic locations. With the existence of the sign board, it is expected that all parties can easily inform complaints/conflicts to the appointed communicator in the event of irregularities or violations that occur within the certification unit.

Based on the explanation above, it can be concluded that the unit of certification has a mutually agreed system, is open to all affected parties, can resolve disputes effectively, in a timely and appropriate manner.

**4.2.2**

The unit of certification has established a complaint handling system for all affected parties, which is documented in Communication SOP number WNL-SUST-SOP-09 Revision 1 which was approved by the Regional Head. In point 7.1.3 letter "g", it is explained that if it is not possible to submit/request information or complaints by stakeholders in writing due to various reasons (writing skills/disabilities), then submission/requests for information or complaints can be made verbally through Public Relations staff /CSR. The certification unit also has a *LKS Bipartit* and a Gender Committee which regularly hold meetings with workers, one of the agendas of which is to accommodate problems and complaints directed at the certification unit.

From the results of interviews with workers and representatives of the surrounding community (Pantai Harapan Village and Pundu Village), they already know about communication procedures and with people who serve as communicators between the company and workers/community so that those who cannot read/write can inform the relevant communicators.

From the description above, it can be concluded that the unit of certification already has procedures for conveying information and the system has been understood by affected parties, including those who cannot read and write.

#### 4.2.3

Based on the results of a review of the Complaints Logbook/Logbook and Responses, no complaints were found from external stakeholders. However, there have been complaints from workers concerned about the improvement of facilities in employee housing, for example, a complaint from a worker with the initials PTRD on February 23<sup>rd</sup>, 2023, stating that the floor in the house was broken. This complaint was responded to by the company and the floor of the worker's house was repaired on February 25<sup>th</sup>, 2023.

Based on the results of interviews with workers in the plantation and mill units, local contractors, representatives of the Pundu Village community and government agencies in Kotawaringin Timur Regency, it was obtained information that they understood the flow of information submission if there was a complaint to the unit of certification. They also stated that the unit of certification was responsive in responding to complaints submitted.

From the description above, it can be concluded that all complaints have also been thoroughly resolved by the certification unit by showing proof of completion in the form of documentation and direct responses regarding complaints received from external and internal parties.

#### 4.2.4

In the Communication SOP number WNL-SUST-SOP-09 Revision 1 which was approved by the Regional Head, it is explained that the unit of certification is committed to actively giving freedom to the reporting party to obtain legal and technical assistance from an independent party.

Based on the results of the document review, it is known that during the last one there were no conflicts reported to PT WNL. The results of interviews with all parties such as workers, contractors, representatives of the Pundu Village community, state that the conflict resolution mechanism can use options to obtain legal and technical assistance from independent parties, where the reporting party has the freedom to choose the person or group that can support it and/ or act as an observer and the parties can choose the option of involving a mediator (third party).

Based on the explanation and description above, it can be concluded that the unit of certification has a conflict resolution mechanism/procedure that includes options for obtaining legal and technical assistance from independent parties.

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

### 4.3

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

#### 4.3.1.

The company has the Environmental Monitoring and Management Plan and report it to the Environmental Agency of Kotawaringin Timur Regency on 19<sup>th</sup> January 2023 for the second semester of 2022. The implementation of Environmental Management and Monitoring is carried out in accordance with the direction as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis. It means the management and monitoring plans are in sync with the actual implementation.

The RKL-RPL document also shows that the company has managed all the impacts recommended in the UKL-UPL Documents. In general, the forms of evaluation carried out by the company include Trend Evaluation, Critical Level Evaluation, and Compliance Evaluation. Numerous things can be concluded from the RKL-RPL document, for instance:

- Environmental management in plantations and palm oil processing factories with 3R (Reuse, Recycling and Recovery) and IPM (Integrated Pest Management) principles.
- Environmental management by utilizing palm oil mill solid waste. Shells and fiber are used as boiler fuel. EFB is used as compost and organic fertilizer in Estate.
- Palm Oil Mill Effluent (POME) is applied as a substitute for liquid fertilizer in Estate. All POME produced is used as fertilizer, nothing is discharged into water bodies/rivers.
- BOD of POME that is applied to the land has met the requirements according to KepmenLH No. 28 of 2003, seen from the monthly tests carried out.

- The measured emission quality of the boiler chimneys is below the required quality standards.
- Ambient air quality and noise are still below the quality standard for employee residential areas and for locations around PKS.
- The quality and quantity of groundwater taken from monitoring wells still meet quality standards. The quality standard based on Permenkes 32/2017.
- Surface water quality still meets the class III quality standard, no indications of significant surface water contamination were found by plantation or factory activities.
- The quality of biota in the waters of PT WNL is moderate and less stable.
- There are no health problems caused by the direct operation of the palm oil plantation and Mill.
- Relationship with the community is well-maintained through the company's involvement in various activities in the surrounding community, it can be shown by CSR documents.

Based on the field observations, it can be seen that the company has carried out environmental management in accordance with the RKL-RPL by installing warnings for conservation areas, prohibits hunting protected animals. Based on the results of interviews with sprayer and fertilizer workers, they also stated that they were aware of the prohibition on applying chemicals to the buffer zone or riparian and reservoir.

SIA Management and Monitoring Plan PT WNL describes monitoring indicator, monitoring method, PIC and frequency. The evaluation is stated in Social Evaluation and Monitoring PT WNL 2022 report. There are external and internal program category. The report explanation includes program name, implementation, documentation, and evaluation. The examples of external programs are routine coordination with stakeholders, training on best management practice in plantation, socialization on open recruitment in PT WNL, identify and analyses economic potential in nearby villages, and providing health facility. From the evaluation remarks, it can be concluded that the programs are implemented as plan, although there are still some ongoing programs. The examples of internal programs are training to the daycare staff, support to the labor union, office public facility maintenance program, and training on OHS. The company can show the detail progress of each mentioned program in the report. Based on the interview with nearby villages, such as Katari Hamlet Keruing Village, some programs can be confirmed for its implementation.

	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 WNL has obtained the location permit from Regent of Kotim Regency No 1090.460.42 on 26 October 1994 about the Granting of Location Permit for Palm Oil Plantations on Behalf of, PT. Windu Nabatindo Lestari in Pundu Village and Pantai Harapan Village, Subdistrict of Cempaga, District of Kotawaringin Timur covering an area of 17,500 Ha. PT WNL has a Plantation Business License, issued by the Regent of East Kotawaringin on 17 May 2004 (No.525.26/151/V/EKBANG/2004) for a Palm Oil Plantation covering an area of 17,500 Ha and its Processing Factory. The Pundu Factory has a Plantation Business License from the Regent of East Kotawaringin (No 508/003 /IUP-P/EK.SDA/II/2014) with Mill Processing facilities with a capacity of 45 MT/hour to 90 MT/hour.

The certificate holder has land Use Right (HGU) with Certificate Number: 24, issued by National land Agency of Kotawaringin Timur District, Province of Central Kalimantan, March 10, 2004 with total area 9,616.28 Ha and Land Use Title Certificate No. 50 issued by National Land Agency of East Kotawaringin District, Central Kalimantan Province on May 10, 2008 covering of 1,934.583 Hectares, more over the certificate holder has building right title covering 149,820 M<sup>2</sup> (HGB Certificate No 5, 10 September 2007). Based on that's explanation above the total area that managed by PT PWNL are 11,565.76 Ha. From the total area of PT WNL, the area under scope certification of Pundu Nabatindo Mill (Pundu Nabatindo Estate) are 2,769.44 Ha and the rest of the area (8,796.32 Ha) under scope of Katari Agro Mill and its supply base.

**4.4.2**  
As a guidance during land compensation the company has had an Procedure – Indemnity of Planting and Area (BGA-SOP-GL-903.1-R0)) in the procedure described how to calculate and distribute fair and gender-equal compensation in all

activities related to the compensation process for land over the land right cultivated by the Company, the purpose is to ensure the area of plantation free from others right.

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

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

Based on the results of interviews with parties who have received compensation for land compensation from PT WNL obtained information if the process of land acquisition was done through the following stages; identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. The total size of locations being compensated at the area of WNL (Land Use Title for the estate and Building Use Title for the mill) stretching from the year of 2006 to the year of 2012 covered an area of 6,712.27 Ha. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

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

#### 4.4.3

The company can show a map showing legal rights in the form of a HGU boundary map with a scale of 1: 50,000 contained in the HGU certificate issued by the Land Office. Based on the results of interviews Katari Village, Pelantaran Village, Pundu Village, Previous land owner on Katari Village and Pundu Estate; Cooperative Officials of Harapan Abadi (scheme smallholder), it is recognized that they know the legal boundaries owned by PT Windu Nabatindo Lestari.

#### 4.4.4

Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising of participants list and photographs. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages.

#### 4.4.5

Based on the results of interviews with parties who have received compensation for land compensation from PT WNL, information is obtained that he has received compensation for the land he has claimed and all the files for the settlement

process are also kept by the person concerned. All land claim settlement processes, from identification, negotiation to compensation, are carried out through the agreement of the parties without any coercion or pressure from other parties. Based on the results of interviews Katari Village, Pelantaran Village, Pundu Village, Previous land owner on Katari Village and Pundu Estate; Cooperative Officials of Harapan Abadi (scheme smallholder), obtained information that the company has resolved land cases through a mediation approach and there is no indication of the use of violence.

The company can show lists of the names of the owners of the land being compensated and documentation of the compensation process, for example in some of the compensation documents as follows:

- a. Compensation on behalf of Mr Edek (owner of the former land/field) located in Block E-20 covering an area of 4.9 ha voluntarily surrendering the land to PT WNL (Pundu Estate) with compensation of Rp. 1,000,000.-/ ha so that the amount received in the amount of Rp. 4,900,000 (4.9 ha x Rp. 1,000,000.-) paid in November 2009 is known and signed by the first Party (Land Owner), Head of Pantar Harapan Village, Estate Manager of PNBE, and the Cempaga Hulu sub-district head. As well as a statement letter of ownership of ex-field land (Persil Number: P-863), a receipt for payment of Rp. 4,900,000, - (Witness for payment of the Measurement Section, Head of Cempaga Hulu Sector Police, *Danposramil* and Head of Katari Hamlet). In addition, there is a field measurement letter/former field in the name of Mr. Edek covering an area of 4.9 ha (map number PT 037/GRTT/GIS-BGA/II/2009).
- b. Compensation on behalf of Mr Alan (the owner of the former land/field) with Persil Number P-375 covering an area of 3.6 Ha at a price of Rp. 500,000/Ha so that the amount received is Rp. 1,800,000, - paid in April 2004 which is known and signed by the first party (Land Owner), Keruing Village Head, PNBE Estate Manager and Cempaga Hulu Sub-district Head. As well as a statement letter of ownership of ex-field land and (Persil Number: P-375), receipt of payment (signed by both parties with the knowledge of the Head of Keruing Village, *Demang* of Cempaga District and Payment Witness for Measurement Section, Public Relations, Legal Bureau). In addition, there is also a letter of proof of measurement.

#### 4.4.6

Based on the results of interviews Katari Village, Pelantaran Village, Pundu Village, Previous land owner on Katari Village and Pundu Estate; Cooperative Officials of Harapan Abadi (scheme smallholder), it was informed that the company has had a positive impact such as employee recruitment and CSR assistance. There are no land conflicts between the community and the company, besides that the company regularly holds meetings with community representatives and absorbs community aspirations which are applied in company policies such as CSR or other assistance. Communication with the community is no problem, every request for information is always responded to by the company.

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

#### 4.5

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

##### 4.5.1; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7; 4.5.8

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

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

#### 4.6

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

##### 4.6.1; 4.6.2

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



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

#### 4.6.3; 4.6.4

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

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

Based on the results of interviews with parties who have received compensation for land compensation from PT WNL obtained information if the process of land acquisition was done through the following stages; identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. The total size of locations being compensated at the area of WNL (Land Use Title for the estate and Building Use Title for the mill) stretching from the year of 2006 to the year of 2012 covered an area of 6,712.27 Ha. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

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

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

Status: Comply

#### 4.7

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

#### 4.7.1; 4.7.2

The company has a procedure in place to identify people and/or community groups entitled to compensation presented in document No. BGA-SOP-GL-903.1-R0, approved by CFO dated 5 June 2013. The procedure is describe how to identify



people and/or community groups entitled to compensation. Based on the results of interviews Katari Village, Pelantaran Village, Pundu Village, Previous land owner on Katari Village and Pundu Estate; Cooperative Officials of Harapan Abadi (scheme smallholder) known that they know about the procedure through the socialization given and they agree with the procedure and compensation process was done directed to the land owner and landowners are given the freedom to release their land without coercion.

#### 4.7.3

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

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

#### 4.8

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

##### 4.8.1; 4.8.2; 4.8.3; 4.8.4

Based on the results of interviews with the party who had received compensation for land compensation from PT WNL, information was obtained that he had received compensation for the land he had previously claimed, and all the settlement process files were also kept by the person concerned. All land claim settlement processes, starting from identification, negotiation to awarding of compensation are carried out through the agreement of the parties without any coercion or pressure from other parties. Based on the results of interviews with Katari Village, Pelaran Village, Pundu Village, Previous land owners on Katari Village and Pundu Estate; The Cooperative Officials of Harapan Abadi (scheme smallholder) received information that the company had resolved land cases through a mediation approach and there was no indication of the use of force. Information was also obtained that in the last 2 years there have been land disputes in the form of claims made by several communities at PT WNL where some of these land disputes have been resolved and some have not been resolved and when this audit was taking place it was still in the process of being resolved.

As evidence of the negotiation process and voluntary land acquisition agreements (FPIC) in the early stages of plantation development, a list of compensation beneficiaries in all villages affected by oil palm plantation development is available, accompanied by the following documents:

- Certificate of Land Ownership from the Village Head and District representative.
- Statement of Ownership of Former Farm Land from the owner/cultivator of the land that is known by the Village Head and Demang/Customary Head
- Minutes of Land Inspection and Measurement known to the Village Head.
- Map of the area to be compensated based on the measurement results of the company and known by sharecroppers.
- Letter of agreement between the owner of the cultivated land and the company for land compensation with a certain value that is agreed upon and known by other parties (District Head, Village Head, Demang/Customary Head, and Farmers).

Companies can show lists of names of landowners who are compensated and documentation of the compensation process, for example in several compensation documents as follows:

- Compensation on behalf of Edek (the owner of the former land/field) located in Block E-20 covering an area of 4.9 ha by voluntarily handing over the land to PT WNL (Pundu Estate) with compensation of IDR 1,000,000.-/ ha so that the amount received was Rp. 4,900,000.- (4.9 ha x Rp. 1,000,000.-) paid in November 2009 was known and signed by the first party (Land Owner), Head of Pantan Harapan Village, PNDE Estate Manager, and Cempaga Hulu District Head. As well as a statement letter of ownership of ex-farm land (Persil number: P-863), receipt of payment of IDR 4,900,000 (Witness Payment for Sizing Section, Kapolsek Cempaga Hulu, Danposramil and Head of Katari Hamlet). In addition, a field/former field measurement certificate in the name of Mr. Edek is available for an area of 4.9 ha (Map number PT 037/GRTT/GIS-BGA/I/2009).

- Compensation on behalf of Alan (owner of former land/fields) with Persil Number P-375 covering an area of 3.6 Ha at a price of IDR 500,000/Ha so that the amount received was IDR 1,800,000, - paid in April 2004 which was known and signed by the first party (Land Owner), Head of Keruing Village, PNBE Estate Manager and Head of Cempaga Hulu District. As well as a statement letter of ownership of ex-farm land and (Persil number: P-375), receipt of payment (signed by both parties with the knowledge of the Head of Keruing Village, Demang, Cempaga District and Witness Payment of Measurement Section, Public Relations, Legal Bureau). In addition, a letter of proof of measurement and validation is also available.

Status: Comply

#### PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION

##### 5.1

The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.

##### 5.1.1

Pundu POM receives FFB from estates and smallholders, such as Harapan Abadi Cooperative with agreement number 01/KOP-HA/III/2006/01/PKS-WNL/III/2006. It is stated in the agreement that the FFB price must be at least the same price as set by the Plantation Agency Provincial Government of Central Kalimantan every month. The price is updated every month and well informed to the smallholders. It can also be confirmed by the interview result with the cooperative.

The price for FFB on May 2023:

- 3 years: Rp 1.618,76
- 4 years: Rp 1.769,44
- 5 years: Rp 1.911,95
- 6 years: Rp 1.967,60
- 7 years: Rp 2.006,05
- 8 years: Rp 2.097,46
- 9 years: Rp 2.152,65
- 10-20 years: Rp 2.213,70
- 21 years: Rp 2.210,53
- 22 years: Rp 2.206,00
- 23 years: Rp 2.186,09
- 24 years: Rp 2.186,09

##### 5.1.2.

Based on the interview with company management, there is a clear explanation of FFB pricing to smallholders. It is conducted by meetings and also via message. It can also be confirmed by the related documents on agreement between the parties as well as the transaction history.

Based on the interview with Harapan Abadi Cooperative, it is identified that the FFB must be at least the same price as set by the Plantation Agency Provincial Government of Central Kalimantan every month. There is a sync information pertaining to mechanism of delivering the updated FFB price, which is by direct meetings and communication by message.

##### 5.1.3

The company has determined a fair price for the FFB suppliers. The documentation can be shown by the company in the Letter of Agreement, signed by both parties and the witnesses (Head of Sub District Cempaga Hulu and Head of Pantai Harapan Village). The agreement also known and signed by Head of Cooperative Agency, Head of Plantation Agency, and Regent of Kotawaringin Timur. It is stated in the agreement that the FFB price must be at least the same price as set by the Plantation Agency Provincial Government of Central Kalimantan every month. The interview with head of Harapan Abadi Cooperative also supported those facts.

##### 5.1.4

The Letter of Agreement between the company with cooperative and the FFB supplier is kept by each party. It is legally

binding and explaining the agreements details. Based on the documents review and interview, it can be confirmed that there is woman's involvement in decision making process and contract's understanding because some of the members are woman.

#### 5.1.5.

The company has established cooperation in the plasma farmer program with the parent cooperative which oversees several cooperatives from each related village. There is a Cooperation Agreement between PT Windu Nabatindo and the Harapan Abadi Cooperative Number: 01/KOP-HA/III/2006 and 01/PKS-WNL/III/200 on 21<sup>st</sup> March 2006. The agreement is valid for 25 years. It is signed by both parties and the witnesses (Head of Sub District Cempaga Hulu and Head of Pantai Harapan Village). The agreement also known and signed by Head of Cooperative Agency, Head of Plantation Agency, and Regent of Kotawaringin Timur. It is stated in the agreement that the FFB price must be at least the same price as set by the Plantation Agency Provincial Government of Central Kalimantan every month. The partnership within the total area of 5.750 ha is mentioned in the agreement.

The company can show several contracts with FFB suppliers which based on mutual agreement, fair, legal and transparent. For example, the SPK between the Company and the FFB Supplier CV Graha Tenera number 001/SPKL/PNBM-TBS/XII/2022 on 1<sup>st</sup> December 2022. It is valid until 31<sup>st</sup> December 2023. The agreement mentioned that the company will inform regarding the FFB price to supplier by email or any other media which agreed by both parties before the FFB is delivered.

Document verification and public consultation with community representatives (Pundu Village and Pantai Harapan Village) and contractor (CV Tani Subur) during the audit showed that the contracts made between the company and the FFB suppliers and local contractors were made fairly, legally and transparently. The plasma cooperative and local FFB suppliers have understood the contract agreement they have made as evidenced by the agreement signed by both parties (the company and the plasma cooperative or the supplier).

In the document, there is a statement that the price set to determine the FFB selling price is the price set by the Central Kalimantan Provincial Plantation Agency Price Fixing Team, so the parties hereby declare that they will obey and obey the price fixing so that one party and the other party are not entitled to request an increase or decrease in price. The agreement (MoU) or contract regulates completely and clearly the rights and obligations of the two parties, the technical provisions of the agreement/work to a fair payment method agreed by both parties. There are also specifications and implementation requirements as well as sanctions that must be met by the second party.

#### 5.1.6

The company can show FFB payment, for example the payment to CV Graha Tanera on 11<sup>th</sup> May 2023 with total amount of Rp 558.616.355. The minutes of FFB payment describes pricing and pricing periods, FFB amount, reduction/cost, and total paid. The payment was conducted within a month. Based on the interview with supplier representative, there was no payment issue. Therefore, it can be concluded that the company has fulfilled their obligation to supplier based on the MoU.

#### 5.1.7

The company has calibrated the weighing equipment by CV Randegan Tangguh with certificate number CVRT-007/BAPP/15/II/2023 on 15<sup>th</sup> February 2023, as details:

- Weight bridge Avery Weightronic type E1205, serial number 114950247, capacity 40,000 kg, and readability 10 kg.
- Weight bridge Avery Weightronic type E1205, serial number 133450123, capacity 40,000 kg, and readability 10 kg.

Based on the observation and interview with operators, the calibration is routinely performed.

#### 5.1.8.

The company obtains FFB not only from their own estate, but also from independent smallholders and smallholder schemes. Independent smallholders, such as CV Graha Tenera, already has an RSPO certificate and is currently in the surveillance phase. The results of interviews with managers stated that at the beginning of the certification, the company was very helpful in the management system as well as financial assistance and land legality management. Currently, CV Graha Tenera is independent and manage its own farm with 34 independent smallholders as members.

Meanwhile, other independent smallholders are currently in the stage of socialization and consultation but have not been able to move to the certification process. This is due to the legality of the land which is currently constrained because of the land status, most of which cannot be certified.

The company conducted socialization related to RSPO certification to cooperatives/plasma farmers through annual meetings between the company and the community. The company shows the Minutes of the annual meeting on 19<sup>th</sup> January 2023 in PNLA Metro Pundu PT WNL held by BGA Management Team PT WNL. There are 28 participants in the event. The topics for the event are:

- External TBS receiving system in mill
- Best Management Practice
- Sustainability in palm plantation
- Socialization on understanding the RSPO and ISPO
- Follow up plan by company towards the FFB suppliers.

#### 5.1.9

The company has SOP for handling complaints from numerous parties. It is the Procedure for Handling Complaints for the company scope number SOP-WNL-KOM-01 on 29<sup>th</sup> August 2013. The procedure explains the external communication with an official letter submitted to the company regarding the complaints. The company will respond not more than 15 days after it is received. The guarantee of the anonymity of the reporter is also applied. The procedure also clarifies the verification and rating of complaints, preparation of handling plan, implementation of handling, monitoring of implementation, and documentation to settlement through legal channels. It is mentioned that the settlement after the complaint is received no later than 1 month.

There is also a procedure for communication in the Communication SOP Number WNL-SUST-SOP-09 on 1<sup>st</sup> March 2018 and applied to all activities and fields in PT WNL. It includes internal and external communication related to HSE, Labor, Social, RSPO & ISPO. The scope of external communication contains the conveyance of HSE, employment, social information to or from third parties, including the government, business partners, contractors and suppliers, families of employees of PT. WNL, community, Non-Governmental Organizations, media, and others.

<b>Status: Comply</b>	
-----------------------	--

### 5.2

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

#### 5.2.1

The company has conducted consultations with FFB suppliers to Pundu Nabatindo Mill. It can be confirmed by the RSPO Socialization report number 004/CSR REG 2-KEG//2023 on 19<sup>th</sup> January 2023. There are 28 participants in the event. The company shows the annual meeting was held in PNLA Metro Pundu PT WNL by BGA Management Team PT WNL. The topics for the meeting are:

- External TBS receiving system in mill
- Best Management Practice
- Sustainability in palm plantation
- Socialization on understanding the RSPO and ISPO
- Follow up plan by company towards the FFB suppliers.

The company promoted the RSPO and explained the needs to be involved in RSPO certification to the participants. Based on the interview with participants, the event can be confirmed. The participants are enthusiast in getting to know more on their involvement.

#### 5.2.2

The company develops programs to improve the community's welfare. It can be shown by building and fully managing plasma plantations, namely KKPA Harapan Abadi. It has enhanced the prosperity since 2006. The company assigns managers and assistants to help manage the plasma. KKPA Harapan Abadi supplies all FFB to Pundu Nabatindo Mill in accordance with the contract agreed by both parties. There are ±2500 farmers from nearby villages. The membership is

not limited to men or women. Further explanation regarding the assistance that has been provided by the company to farmers and surrounding communities can be seen in indicator 4.3.1 related to CSR.

### 5.2.3

Currently, CV Graha Tenera is the only one supplier which has registered the RSPO certification from a total of 18 external FFB suppliers. CV Graha Tenera was previously assisted by PT WNL in the certification process and is presently in the surveillance phase. It runs its own palm oil plantation business. The company develops programs to improve the community's welfare. It can be shown by building and fully managing plasma plantations, namely KKPA Harapan Abadi. It has enhanced the prosperity since 2006. The company assigns managers and assistants to help manage the plasma. KKPA Harapan Abadi supplies all FFB to Pundu Nabatindo Mill in accordance with the contract agreed by both parties. There are ±2500 farmers from nearby villages. The membership is not limited to men or women. Further explanation regarding the assistance that has been provided by the company to farmers and surrounding communities can be seen in indicator 4.3.1 related to CSR.

### 5.2.4.

The results of field observations, document reviews, and interviews with management representatives found that Pundu POM only received FFB from Pundu Estate. It is also known that there are no plasma cooperatives that send FFB to Pundu POM.

### 5.2.5

The company regularly reviews and publicly reports the progress of smallholder support program. The program include OHS, IPM, Best Management Practice and RSPO requirements. The last evaluation was on 19<sup>th</sup> January 2023.

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

## PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

### 6.1

#### Any form of discrimination is prohibited.

#### 6.1.1

The unit of certification already has a non-discrimination and equal opportunity policy as indicated in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. It is stated that the unit of certification is committed to implementing several principles, one of which is to provide equal employment opportunities regardless of race, religion, degree, ethnicity, gender, skin colour, imperfection (disability), sexual orientation, political affiliation, membership organization and age. This policy has been socialized in Estate and Mill unit to workers, for example, the socialization on May 9<sup>th</sup>, 2022, at PNB unit. This policy has also been disseminated to all stakeholders, for example, when making or renewing a cooperation contract.

The unit of certification does not discriminate and treats all workers fairly, the following is evidence that can be shown by the unit of certification listed in several employee list demographic documents, sample documents for worker recruitment and identification documents and the realization of worker training:

- Composition of workers consisting of various ethnic groups, religions, genders, and workers' origins.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- Placement and training of workers is carried out according to their expertise/type of work, such as prospective harvest workers are placed as harvest workers and receive routine 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 workers, *LKS Bipartit* representatives 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. So, it can be concluded that the unit of certification has treated all workers fairly without discrimination.



**6.1.2**

Based on the results of verification of worker recruitment documents, it is known that worker recruitment is based on expertise, ability, and records of medical examination results. The unit of certification has a non-discrimination and equal opportunity policy as indicated in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. The unit of certification also shows a workforce register document for the May 2023 period which contains demographic information for all workers at PT WNL, namely workers who come from various regions, religions, ages, etc. Then from the results of interviews with 6 harvest workers and 6 pick-up loose fruit workers at the PBNE unit, it was stated that they were workers who came from various areas outside the island of Kalimantan, such as Java, Flores, Sulawesi, etc. During the recruitment process, the unit of certification has borne all costs of migration from the place of origin to Central Kalimantan. They also stated that there is no fee to be charged and no retention of personal identification documents during the recruitment process.

Based on the results of interviews with workers, *LKS Bipartit* and gender committee representatives, information was obtained that there were no issues related to discrimination. PT WNL workers come from various regions. Both local and migrant workers are given the same opportunity to get a job and promotion as well. The unit of certification also does not retain identity documents during the worker recruitment process.

**6.1.3**

The unit of certification does not discriminate against selection, recruitment, training and promotion. This is based on the skills, abilities, quality and medical eligibility of the workers. In terms of worker promotion, the certification unit conducts a performance appraisal/evaluation before promoting workers to the newest status/position/class. For example, promotion for workers with the initials EM (mill production admin) listed in Memo number 028/MEMO-BGA/HC-HRBP/5/2023 dated May 19<sup>th</sup>, 2023. The document explains the confirmation of the results of the promotion of non-staff employees in the Pundu region. The company also shows the results of the employee performance appraisal with the initials EM with the evaluation criteria of morality, capability, integrity and presence which form the basis for consideration of employee promotions. So that the worker is promoted from *PTH* class to *PTB-P1*.

Based on the results of interviews with HR staff, information was obtained that the recruitment process for all employees was carried out through the same process where prospective employees must meet requirements in the form of administrative selection (application letter, graduation letter, photocopy of personal and family identity), psychological test (for certain positions), interviews and results of medical examinations. To increase the career path, responsibility, authority and scope of an employee, the certification unit provides promotions based on skills, abilities, leadership, honesty, discipline, loyalty, attendance, etc. Employee performance appraisal is carried out through the stages of performance evaluation.

**6.1.4**

Pregnancy tests for workers 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. For example, pregnant workers will be transferred to lighter jobs such as cleaning workers in offices. This was clarified by the results of interviews with female spray and manuring workers as well as representatives of the gender committee at PT WNL, which stated that female workers are required to carry out monthly pregnancy tests at the clinic to ensure that no pregnant/breastfeeding female workers are exposed to chemical material. Pregnancy testing is not a discriminatory measure provided by the unit of certification.

Then from the results of a review of the latest employee recruitment documents and interviews with female workers, it was found that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers. They explained that at the time of recruitment, there was no pregnancy test, but only physical health tests, administration and interviews with prospective leaders.

**6.1.5**

The unit of certification has established a gender committee in each unit which has functions including gender equality, protection of women's rights, protection from incidents of harassment, and others. Furthermore, the certification unit shows documents establishing the Organizational Structure of the Gender Committee in each estate and mill unit for the 2023



period consisting of representatives of each gender, namely men and women. The organizational structure consists of a Protector/Advisor/Counsellor, Chairperson, Deputy Chairperson, Secretary, Treasurer, Head of Division and members.

Gender committee work program in 2023 for all estate and mill unit at PT WNL, including regular meetings of the gender committee management, integrated healthcare center, periodic pregnancy checks, socialization of maternal and child health, socialization of gender equality, socialization regarding the flow of complaint and socialization and recording of sexual harassment/violence.

The unit of certification shows the realization of the program and the results of the gender committee meeting listed in the work program document and the realization of the gender committee in 2022 and 2023, for example as follows:

- Implementation of integrated healthcare center programs in all units (PNBE and PNBM units) which are held every month.
- Minutes of meeting gender committee at the PNBM unit's which was held on April 21<sup>st</sup>, 2023. The agenda discussed the flow of complaints in the event of sexual deviation/violence.

Based on interviews with women workers, it is known that they know the function, work program, and mechanism for submitting complaints through the gender committee. Then, based on the results of interviews with representatives of the gender committee it is known that until now the work program of the gender committee has prioritized women workers. However, it is possible that cases of sexual harassment or violence against male workers can also be submitted through the gender committee.

#### 6.1.6

Payment of fair wages has been properly carried out by the unit of certification, taking into account ability, performance, expertise, length 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 is stated in Memo document number 112/MEMO-BGA/HC-POP/XII/2022 concerning Determination of Wages for *PTB* and *PTH* employees in 2023 in the Mentaya and Pundu Regional, Districts of Kotawaringin Timur which was issued on December 23<sup>rd</sup>, 2022. That document also explained about the wage scale structure that applies to workers with *PTB* status starting from the lowest class P1 (IDR 3,305,860) to the highest class U8 (IDR 3,540,860).

Based on the results of interviews with estate workers such as harvesters, spray and daycare workers with *PTH* status, it is known that the basic wages and benefits they receive are of the same value. Employees also receive an attendance premium based on performance appraisal. However, it is different from the boiler operator in PNBM units with *PTB* status who state that the basic wage they receive is different in value because it is based on the prevailing wage scale structure.

From the description above, it can be concluded 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 unit of certification has documented procedures/policies related to wages and work requirements in accordance with employment provisions that have been published in the national language (Indonesian) listed in several documents, namely:

- Company Regulation document for the period 2021 – 2023 which was ratified on April 19<sup>th</sup>, 2021, by the Director General of Development Industrial Relations and Labor Social Security. The document informs about all work requirements in accordance with the applicable labor regulations in Indonesia.
- Decree of the Governor of Central Kalimantan Number 188.44/445/2021 which took effect on January 1<sup>st</sup>, 2022, concerning the 2022 Kotawaringin Timur District Minimum Wage of IDR 3,014,732.
- Memo number 003/MEMO-BGA/HC-POP/1/2022 concerning Determination of Wages for *PTB* and *PTH* employees in 2022 in the Mentaya and Pundu Regional, Districts of Kotawaringin Timur which was issued on January 7<sup>th</sup>, 2022.

It is known that the determination of wages for workers with *PTH* status is IDR 3,014,732.

- Decree of the Governor of Central Kalimantan Number 188.44/472/2022 which took effect on January 1<sup>st</sup>, 2023, concerning the 2023 Kotawaringin Timur District Minimum Wage of IDR 3,265,859.
- Memo number 112/MEMO-BGA/HC-POP/XII/2022 concerning Determination of Wages for *PTB* and *PTH* employees in 2023 in the Mentaya and Pundu Regional, Districts of Kotawaringin Timur which was issued on December 23<sup>rd</sup>, 2022. It is known that the determination of wages for workers with *PTH* status is IDR 3,265,860.

The unit of certification can show documentation of payment of wages for all workers shown in the payroll and pay slips which include components such as basic wages, premiums, overtime, benefits (*BPJS*, electricity subsidies, etc.), and deductions (*BPJS*, loans, *SPSI*, cooperatives, etc.). Based on the results of the interviews, workers can explain their basic wages and allowances as well as the deductions they receive each month. Following are some examples of wage documents for workers during December 2022 and May 2023, including:

- PNBE unit: Harvesters with the initials MNT receive a basic wage in December 2022 of IDR 3,014,732.
- PNBM unit: Security with the initials AP receives a basic salary in May 2023 of IDR 3,265,860.

Based on the description above, it can be concluded that the unit of certification already has documentation of wages and work conditions in accordance with the labor regulations that apply to workers in the national language, along with an explanation for workers in a language they understand.

#### 6.2.2

The unit of certification can show examples of work agreement documents, for example as follows:

- Decree number 07/WNL-PTH/WIL-3/PBNE/X/2021 dated October 23<sup>rd</sup>, 2021. The document explains that a worker with the initials TRS is accepted to work as a harvester.
- Decree number 029/WNL-PTH/WIL-3/PBNE/X/2021 dated October 25<sup>th</sup>, 2021. The document explains that a worker with the initials RL is accepted to work as a pick-up loose fruit worker.

As for the decree document shown, it contains information including the name acting as management representative and company address, employee information in the form of name and other personal information, employee position, employee work location, reporting, work duties and responsibilities, salary and other benefits. The decree document has been signed by representatives of management and workers.

As a form of implementing the decree document, the unit of certification shows the May 2023 payroll documents. For example, a pick-up loose fruit worker with the initials RL receives a basic wage for May 2023 that is in accordance with the applicable minimum wage, namely IDR 3,004,592. The worker is absent for 2 days without any explanation so that she gets a salary deduction of IDR 130,634/days.

Work agreements along with related documents detailing wages and working conditions (working hours, deductions, overtime, sick leave, leave, maternity leave, etc.) have been set forth in the Company Regulation document for the period 2021 – 2023 which was ratified on April 19<sup>th</sup>, 2021, by the Director General of Development Industrial Relations and Labor Social Security. For example, in Article 42 regarding the types of violations and the imposition of sanctions, it is explained that workers who are absent without explanation will receive wage deductions which are calculated based on 1 month's basic wage divided by 25 working days.

Based on the description above, it can be concluded that the unit of certification has a work agreement along with related documents that stipulate detailed wages and work conditions.

#### 6.2.3

The unit of certification shows evidence of legal compliance regarding the fulfillment of labor rights to workers, for example:

- Defined and agreed working hours are 7 hours a day and 40 hours a week. If there are excess working hours, overtime is paid. For example:
  - Boiler operators pay slip document with the initials KDR (*PTB* – P5) who receive a basic salary overtime pay of IDR 3.325.860 and overtime pay of IDR 2,441.527 on May 2023 for a total of 16 hours of overtime and the value of one hour overtime pay is IDR 19,224. Workers have signed an overtime order agreed by both parties (worker and certification unit representative) before carrying out overtime work.
  - Security officers will get a replacement premium for overtime hours if they work more than 7 hours. The premiums

earned by security officers have the same or more value when compared to overtime pay. For example, security pay slip document with the initials AP (*PTH*) who receive a basic salary of IDR 3,265,860 and premium of IDR 1,374,080 in May 2023. The worker has a total of 25 hours of overtime and the value of one hour overtime pay is IDR 18,877.

- Every worker also has the right to annual leave of 12 days in one year. Here's an example, an employee with the initial TGN who applied for 12 days annual leave from the total remaining 15 days of leave entitlements from February 7<sup>th</sup> – 22<sup>nd</sup>, 2023. This request has been approved by the Estate Manager of PNBE.
- Specifically for female workers, the unit of certification grants the right to 2 days of menstrual leave and 1.5 month of maternity leave before and after giving birth. For example, a worker with the initials EM applied for maternity leave based on an examination certificate from the doctor at the clinic. The worker is on leave for 90 days/1.5 month before and after giving birth from March 13<sup>th</sup>, 2023, to June 12<sup>th</sup>, 2023. The request has been approved by the Mill Manager PNBM.
- The unit of certification has applicable deductions/fines if workers commit deviations/negligence in their work. For example, deductions from workday payments if workers are absent from work without reason. Apart from that, there are also fines for negligence at work, for example, in harvesting work such as harvesting fruit in the unripe category, a discount of IDR 25,000 per FFB will be imposed.

It can be concluded that the implementation of working hours, minimum wages, overtime wages, leave entitlements, and others is in accordance with the provisions of applicable labor laws.

#### 6.2.4

The certification unit has a list of worker welfare infrastructure facilities updated in each unit for 2023 for PT WNL, where there are workers' housing facilities, religious facilities (houses of worship), sports facilities, health facilities (clinic), clean water facilities, electricity in the form the generator, daycare, school buses and others. Currently, all welfare facilities provided in general are in proper condition and can be used by workers and their families. The document also includes monitoring of the condition of public facilities for the 2023 period which explains that the current condition of worker welfare facilities is in good condition.

Based on the results of field observations in PNBM and PNBE employee housing areas, it is known that the welfare facilities provided are in proper/good condition, workers' homes consist of 2 bedrooms, 1 bathroom and kitchen, clean water is provided every day, electricity in the form *PLN* and the generator, religious facilities in the form of mosques and churches, sports facilities (football fields, volleyball courts and tennis courts), educational facilities (kindergartens, elementary schools and junior high school), transportation facilities in the form of school buses, as well as other facilities. Clinics are available as worker health facilities that can be accessed by workers and their families. This is supported by the results of interviews with residents of the housing which stated that the housing facilities provided were in decent condition, one house was occupied by 1 head of family and so far, if there were complaints from workers regarding housing facilities, the unit of certification would respond and as soon as possible carry out repair.

In accordance with the description above, it can be concluded that the certification unit already has facilities and infrastructure for the welfare of workers in proper conditions and accessible to workers and their families.

#### 6.2.5

Based on the results of field visits to employee housing, it is known that the certification unit has an employee cooperative namely *Unit Pelayanan Sembako (UPS)* that sells basic goods for daily needs. The unit of certification has also provided buildings for small businesses in each employee housing that workers can rent to sell their daily needs or open a canteen business to make it easier for workers and their families to obtain food sources.

Then, from the results of interviews with workers in estate and mill unit as well as residents of houses in employee housing, it is known that they do not experience difficulties in obtaining food sources because they can shop at employee cooperatives or food stalls in residential areas. In addition, the location of the estate and mill is also close to traditional markets and villages, so access to food and daily needs is very easy for workers to reach.

#### 6.2.6

Currently the company uses wage calculations based on the 2023 Kotawaringin Timur District Minimum Wage in

accordance with the Decree of the Governor of Central Kalimantan Number 188.44/472/2022 which took effect on January 1<sup>st</sup>, 2023, which is IDR 3,265,859. This decree of minimum wage also included in DLW calculation established by the company. The DLW calculation is refers to the actual and rational price around the certification unit location.

The calculation of applicable wages & other benefits independently is shown in the GAP Analysis document for a Decent Living and Calculation of Prevailing Wage for PT WNL Mentaya and Pundu Region in 2023 which has been approved by the Regional Head. Wages apply as basic wages, allowances such as holiday allowance (*THR*) and rice, facilities such as electricity, housing, water, schools, polyclinic and child care facilities and services. The applicable calculation of wages & benefits varies depending on the type of work and worker status (*PTH* and *PTB*).

#### 6.2.7

Based on the results of a review of employment documents and workforce lists for the period May 2023, it is known that currently companies no longer have workers with contract status such as *PKWT* and *PHL*. Currently all workers working in the company are permanent workers (*PTH*, *PTB* and Staff). This is also consistent with the results of interviews with plantation workers (harvesters, sprayers and fertilizers) and factories (processing operators, mechanics and security) which state that currently all workers are permanent workers and there are no workers with *PKWT* or *PHL* status anymore.

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

### 6.3

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

#### 6.3.1

The unit of certification has a policy on freedom of association listed in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. The policy explains the unit's commitment to giving freedom to workers to form collective bargaining and join trade unions. In addition, the certification unit has a Company Regulation which states that employees have the right to establish labor unions and become members/leaders of labor unions in accordance with applicable regulations.

As a form of implementation of this policy, the certification unit has an *LKS Bipartit* as a forum for workers to convey their complaints or aspirations to the certification unit. Based on the results of interviews with workers and management representatives, it is known that workers do not yet have the desire to form a trade union. So that with the *LKS Bipartit* in the company it is felt that it is sufficient to accommodate complaints or aspirations from workers. The following is the founding document of the *LKS Bipartit* listed in proof of registration of *LKS Bipartit* PT WNL at the Office of Manpower and Transmigration at Kotawaringin Timur Regency with registration number 560.568/25/HI-KESJA/VIII/2022 on August 3<sup>rd</sup>, 2022.

#### 6.3.2

The unit of certification also has records of *LKS Bipartit* meetings. The following is an example of meeting notes held by *LKS Bipartit* in 2022, namely Minutes of Meeting *LKS Bipartit* PT WNL which was held on May 23<sup>rd</sup>, 2023, and was attended by 14 participants. The meeting discussed several topics related to calculation of the amount of severance received for employees entering retirement age and routine socialization regarding Company Regulations for the period 2021-2023.

Based on the results of interviews with bipartite representatives and their members who are workers in each unit, it is known that the bipartite holds meetings every month with those accommodated in meetings between worker representatives and management representatives and until now there has been issue that exists has been resolved by deliberation in the bipartite meeting which is held every month. This is also supported by the results of a review of worker complaint documents, it is known that the existing issues are only complaints related to the lack of supporting facilities, but this has also been continuously improved by the company to be better.

#### 6.3.3

In establishing the *LKS Bipartit* Committee, the company does this by means of deliberation and together with the workers to determine who will later be elected as representatives of each party (workers and employers) and will then be registered

with Manpower Agencies. The election process in this formation, workers are given full freedom, this is evidenced by the results of interviews with workers who are members of the *LKS Bipartit* Committee who stated that the company only chose representatives from the employer side while workers were given the freedom to choose their respective representatives. The result is a balanced number of representatives of workers and employers in the *LKS Bipartit* Committee, while for the current period the chairman of the bipartite is still from the employer and this is based on the results of the previous deliberation.

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

#### 6.4

#### Children are not employed or exploited.

##### 6.4.1

The certification unit has a policy prohibiting the employment of minors contained in the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. As this policy is known, the company prohibits the employment of children and will take action to prevent the use of child labor in all line of operations activities. This policy also applies and is required to be obeyed by plasma farmers, contractors and other stakeholders who have partnership relationships or active in operations and transactions within the company. The policies related to the prohibition of child labor as stated in the work agreement between the plasma smallholders/contractors and the company. In addition, the company also conducts socialization on a regular basis.

Based on the employee list for the May 2023 period, it is known that none of the employees were younger than 18 years old when they first started working. Based on the results of field visits and interviews with harvest and spray workers in the PNBE unit and process operators in PNBM unit, it is also known that there are no workers under 18 years of age. The youngest worker is 19 years old.

Based on the results of interviews with workers in each estate and mill unit, representatives of the *LKS Bipartit* and PT Surya Mentaya Jaya contractors, information was obtained that there had never been any issues regarding child labor. In addition, around the company area there are warnings informing the prohibition for children to be in the work location.

##### 6.4.2

The unit of certification shows the employee list documents period May 2023 for estate and mill units of PT WNL where there are no children under the age of 18 who are employed. In addition, the company has also shown document SOP Employee Recruitment and Selection number BGA-SOP-HC-304.1-R0, SOP Selection and Recruitment of Employees number WNL-SOP-HRD-001.1-R0 and Intern Office Memo number 018/IOM-A/BGA-HC/IV/19 which explains the guidelines for the recruitment of non-staff plantation workers. The SOP explains that in the labor recruitment process, the unit of certification does not accept prospective workers who are under 18 years of age. This is in line with job vacancy information documents which states the requirements for prospective workers who must be  $\geq 18$  years old.

Based on the interview with administration staff, it was explained that in the employee recruitment process an age screening will be carried out before going through an identity check (*KTP* or Birth Certificate) to ensure that the age requirements of workers are met and not violated.

##### 6.4.3

Based on a review of the employee list document period May 2023 and the results of interviews with workers in plantation and mill units as well as management representatives, information was obtained that there were no young workers working in the certification unit. Then, from the results of a study of the list of students who took part in internships or field work practices, it is known that there were a total of 31 vocational high school and college students who carried out internships/field work practices in the company's operational areas during 2022. In addition, it is also known that all of these students are over the age of 18 years.

Based on the results of interviews with *LKS Bipartit* representatives and management representatives, it is known that students who do internships/practice in the field will be placed in non-hazardous jobs or as observers of plantation and mill activities. Because the goal is only to meet the needs of fulfilling the learning curriculum.



**6.4.4**

Socialization regarding child protection policies and the prohibition of child labor has been carried out in each estate and mill unit. For example, socialization at the PNBM unit on May 9<sup>th</sup>, 2022. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the estate and mill unit, they already understood the Labor and Human Rights Policy that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

Based on the results of field observations in the plantation and mill areas, it is known that the company has a warning regarding the prohibition of child labor and the prohibition of children being in the company's operational areas.

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

**6.5**

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

**6.5.1**

The company already has a policy to ensure that workers are free from all forms of harassment, threats, persecution as stated in Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. To ensure that this policy is implemented, the company has a reporting mechanism in place when workplace harassment occurs. This policy also applies and must be complied with by smallholders, contractors and other stakeholders who have partnership relationships or are active in operations and transactions within the company. Then, the company routinely conducts socialization to workers and other stakeholders, for example on May 9<sup>th</sup>, 2022, at PNBM unit. This is in line with the results of interviews with workers and internal/external stakeholder, who already know the flow of complaints if they do experience incidents of harassment at work.

Based on the results of interviews with workers and gender committee officials, information was obtained that workers can submit complaints through their direct superiors or through the gender committee. In addition, during the past year there were no cases of sexual harassment. This is supported by the absence of complaints regarding sexual harassment in the minutes of gender committee meetings in all plantation and factory units during 2022 – 2023.

**6.5.2**

The company has a policy related to the protection of reproductive rights in female workers such as menstruation or pregnant/new mothers listed in Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. The document explains the policy on women's reproductive rights which refers to the provisions of the Labor Law number 13 of 2003, namely if there are female workers who are menstruating, feel sick and based on a doctor's examination, they are not obliged to work on the first and second days of menstruation. Then, if there are workers who give birth, these workers will get leave for 90 days before and after giving birth. Evidence of the implementation of this policy is listed in the 2023 menstruation leave and maternity leave recapitulation document. For example, there are 5 workers in the PNBE unit who apply for maternity leave during the 2023 period.

Based on the results of interviews with the management of the gender committee, information was obtained that female workers have the right to leave for menstruation and maternity leave. The mechanism for granting menstruation leave is carried out by means of a preliminary examination at the clinic by the company doctor. In addition, the source also stated that pregnant and newborn women workers should not do spraying work or other work that is directly related to chemical management.

**6.5.3**

The unit of certification has identified and carried out activities related to assessing the needs of new mothers which are carried out based on a survey of each female worker and/or the wife of the worker. The document explains the list of needs and facilities for new mothers, for example providing classes for pregnant women, classes for babies, integrated healthcare center, complementary food for breastfeeding, rooms for breastfeeding, etc.

Based on the results of interviews with the management of the gender committee in each unit, information was obtained that new mothers were given special rest periods so they could breastfeed their children, pre- and post-natal health check-



up facilities at integrated healthcare center activities and were kept away from jobs that used chemicals during pregnancy or just giving birth. Then based on the results of interviews with female workers, information was obtained that before giving birth the worker or the worker's wife received pregnancy exercise classes to education for caring for the baby in the future. At the time of giving birth, workers or workers' wives will also receive gifts in the form of baby supplies such as diapers, clothes, toiletries, and others.

#### 6.5.4

The unit of certification has Grievance Resolution SOP number BGA-SOP-HC-311.1-R0 which has been in effect since January 1<sup>st</sup>, 2012, and has been approved by the Director. The unit of certification also has Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. In both documents it is explained that the unit of certification guarantees the anonymity of the reporter with the aim of protecting human rights defenders. The procedure explains that the steps for submitting complaints verbally and/or in writing are addressed to the management leadership (superiors such as foremen, assistants or managers). Maximum worker response is 15 working days.

These procedures and policies have been socialized in each plantation and mill unit, for example socialization at the PBNM unit on May 9<sup>th</sup>, 2022. In addition, based on the results of interviews with day care officers, it was stated that complaints could be submitted to the direct supervisor, *LKS Bipartit* or the gender committee (specific complaints on women's issues) and the identity of the complainant would be kept confidential. This aims to provide space for all workers or stakeholders to be able to submit complaints comfortably if there are practices that are not in accordance with the ethical practice policy.

Status: Comply

### 6.6

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

#### 6.6.1

The company shows the Labor and Human Rights Policy document which has been in force since January 15<sup>th</sup>, 2023, and has been signed by the Pundu Regional Head. The document states that the company is committed to preventing the practice of forced labor or slavery and not using workers who are the result of human trafficking in all operational activities. This policy has been socialized to workers in each plantation and mill unit, for example, socialization at the PNBM unit on Mei 9<sup>th</sup>, 2022. This policy also applies and is required to be obeyed by plasma farmers, contractors and other stakeholders who have partnership relationships or active in operations and transactions within the company.

Then, based on the results of the study of employment documents and the results of interviews with workers in plantation units and factories as well as representatives of *LKS Bipartit*, the following information was obtained:

- There is no validation of identity documents and payment of fees during the worker recruitment process.
- There is no act of forced labor carried out by the company. In one day, workers work for 7 hours. The unit of certification sets work targets that can be obtained in less than 7 working hours. If the worker works more than 7 hours or gets the work target exceeded, the company will pay the ox/premium wages in excess of the work target.
- Overtime work is carried out based on the agreement of both parties, both workers and company management representatives. If workers carry out overtime work, workers always sign an overtime order.
- Workers have rights and freedoms if they want to resign from the company.
- Payment of wages to workers is never late. Salary is given at the beginning of the month.

#### 6.6.2

Based on the results of a review of the employee list document for the period May 2023, it is known that there is no use of foreign workers at PT WNL. The workforce in the company includes permanent workers (*PTH and PTB*) and staff who come from Indonesia. Then from the results of interviews with representatives of the *LKS Bipartit* and company representatives, it is known that there are no foreign workers in the company. The resource person also added information that all procedures related to human resource management have been implemented in the company's operational areas. Each worker has a work agreement that describes a specific job description and there is no replacement of the contract without prior consultation and approval of the worker.

Status: Comply

## 6.7

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

### 6.7.1

#### OHS organization.

PT WNL already has an OHS organization in the form of an OHS committee for PNBE and PNBK, as follows Decree of the Head of the Social, Labor and Transmigration Office of Central Kalimantan Province Number 88/DISNAKERTRANS/V/2023 concerning ratification of PT WNL's OHS organizational structure, established in Palangkaraya on 29 May 2023. The OHS Committee Secretary is a worker with the initials ES. The CH shows an OHS expert authority card and an official OHS expert decision from the Ministry of Manpower of the Republic of Indonesia dated December 19, 2022, valid for 3 years.

#### Periodic meetings

The CH also has an OHS Committee in each unit which is responsible for implementing OHS aspects. One of the OHS Committee's activities is to conduct monthly evaluations regarding the implementation of the OHS program. For example, in the meeting on March 28, 2023, which was attended by the Sustainability Department, managers, assistants and unit orderlies. Discusses, among other things, HIRAC evaluations related to work accidents that occur, follow-up plans for outreach to workers regarding OHS aspects, as well as PPE inspections.

### 6.7.2

Procedure for Handling Work Accidents and Emergencies contained in SOP WNL-SUST-SOP-20, dated March 1, 2018, concerning instructions for handling and preventing emergencies as well as recovery efforts.

#### First Aid Officer

The CH has paramedics who have taken part in Hiperkes training with the initials DA established in May 2014. The CH has also conducted first aid training for Supervision which was held on May 26, 2023, and was attended by 29 participants. Based on field observations, such as during harvest and spray activities, it was discovered that the foreman had brought a first aid kit/bag. The results of the interviews revealed that they had received first aid training and were able to explain the name and function of the first aid equipment.

Based on field observations at Pundu POM and offices, it is also known that there is an evacuation route that leads to the gathering point in case of an emergency. Fire extinguishers and hydrants are available in ready-to-use condition. The test results for the hydrant at Pundu POM also functioned well.

#### Records of Work Accidents

During the period January – May 2023 in the PNBK and PNBE areas there were no work accidents that resulted in lost work days. Work accidents that occurred, such as being hit by a thorn, have been resolved using existing first aid kits. Work accidents have been reported routinely to the relevant agencies.

### 6.7.3

The CH has an SOP regarding PPE with code No. BGA-SOP-CCS-1106. These procedures regulate, among other things, identification of PPE, procurement of PPE, distribution of PPE in accordance with work risks (IBPR), frequency of replacement of PPE, replacement of damaged PPE, as well as disciplinary sanctions for those who do not wear PPE/violate procedures.

Based on the results of field observations and interviews with workers at the Mill and Estate, it is known that workers have used PPE in accordance with the requirements in the IBPR document and it was conveyed that all PPE is provided by the company and will be replaced if the PPE is no longer suitable or no longer provides adequate protection maximum.

The results of field observations at the rinse house also found that sanitation facilities were provided by the company for workers who used pesticides so that workers could remove PPE, clean themselves and wear personal clothing in functional condition and in adequate quantities.

### 6.7.4

The certification unit already has a list of workers which also includes *BPJS Ketenagakerjaan* and *BPJS Kesehatan*

participant numbers for all workers in each estate and mill unit. As one example, based on a review of the May 2023 employee list document and proof of payment for *BPJS* for the same period, it is known that companies have registered and paid their workers in the *BPJS Kesehatan* and *BPJS Ketenagakerjaan* program, which consists of work accident insurance, death benefit, old age benefit and pension benefit via bank transfer with details as follows:

- **PNBM**
  - The list of workers in the PNBM unit for the period of May 2023 is 145 workers.
  - Proof of payment for *BPJS Ketenagakerjaan* for the May 2023 period for a total of 145 workers on June 15<sup>th</sup>, 2023.
  - Proof of payment for *BPJS Kesehatan* for the May 2023 period for a total of 144 workers on May 9<sup>th</sup>, 2023. Based on these data, it is known that there is a difference of 1 worker who is not include in the *BPJS Kesehatan* program. Then, the certification unit shows a recap of *BPJS Kesehatan* membership documents where the worker has been registered in the government's health insurance program, namely the *Penerima Bantuan Iuran (PBI)* program.
- **PNBE**
  - The list of workers in the PNBE unit for the period of May 2023 is 298 workers.
  - Proof of payment for *BPJS Ketenagakerjaan* for the May 2023 period for a total of 298 workers on June 15<sup>th</sup>, 2023.
  - Proof of payment for *BPJS Kesehatan* for the May 2023 period for a total of 259 workers on May 9<sup>th</sup>, 2023. Based on these data, it is known that there is a difference of 39 worker who is not include in the *BPJS Kesehatan* program. Then, the certification unit shows a recap of *BPJS Kesehatan* membership documents with the details of 9 workers paying for the *BPJS Kesehatan* program themselves and 21 workers has been registered in the government's health insurance program, namely the *Penerima Bantuan Iuran (PBI)* and *Jaminan Kesehatan Daerah (Jamkesda)* program.

Based on the results of interviews with plantation and factory workers, it is known that the company has provided employment guarantees to all workers and health insurance to workers and their families (wife and children). The workers have held the *BPJS* card and know the registration number. The worker also added information that the *BPJS Kesehatan* card can be used for treatment when a family member is sick.

From the description above, it can be concluded that the company has provided health services and protected all its workers with work accident insurance (*BPJS Ketenagakerjaan*) and health insurance (*BPJS Kesehatan*).

#### 6.7.5

The results of the document review show that the Company regularly records work accidents using LTA. For example, in the December 2022 period at PNBE there were 7 work accidents that did not result in lost work days, with an FR value of 135.3; SR 0; and LTIR 0.

	Status: Comply	
<b>PRINCIPLE #7 PROTECT, CONSERVE AND ENHANCE ECOSYSTEMS AND THE ENVIRONMENT</b>		
<b>7.1</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.		
<b>7.1.1</b> The integrated pest control plan is contained in the annual budget document which refers to the procedures in place, including: <ul style="list-style-type: none"> <li>• Carry out detection, census and monitoring of pest attacks of rats and leaf-eating caterpillars periodically in accordance with procedures.</li> <li>• Carry out biological pest control by using owls to control the population of rats and planting beneficial plants as habitats for predators of leaf-eating caterpillars.</li> </ul> <p>The company has a record of the implementation of pest monitoring and control, by showing evidence such as:</p> <ul style="list-style-type: none"> <li>• Records of integrated pest control show that the company has carried out pest attack observations in December</li> </ul>		

2022, with the result that there was no UPDKS pest attack, and the rat attack rate was still below the threshold of 0.6% (threshold of 5%). The results of field observations in all assessment locations also revealed that there were no pest attacks.

- Planting beneficial plants, the company has planted beneficial plants by showing the beneficial plant monitoring documents, namely *Turnera ulmifolia* and *Turnera subulata*. Based on field observations in the blocks G14 – G15 and H14 – H15, it is known that there are *Turnera ulmifolia* and *Turnera subulata* plants for the predatory hosts of *Setora nitens*.
- Development of Owls as natural predators of rats. The results of the study on the report on the condition of BOB in May 2023 revealed that in PT WNL PNBE there were 194 BOB. The results of field observations revealed that there are owl cages, such as in the block K13.

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

#### 7.1.2

Invasive species in Indonesia refer to Minister of Environment and Forestry Regulation number P.94 of 2016. The results of field observations in blocks G14 – G15 and H14 – H15, it is known that there are *Turnera ulmifolia* and *Turnera subulata* plants in good condition.

#### 7.1.3

PT WNL has shown its commitment to eco-friendly plantation management. Based on document review, field observation, as well as interview with the workers and external stakeholders, known that the company did not use fire for pest control.

Status: Comply

### 7.2

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

#### 7.2.1

Based on document review and field observations in spray work, it is known that pesticides (herbicides) have been used to control weeds. The basis for using specific pesticides against target pests/weeds has been shown by the company in the Pesticide List document. For example, the Penta up pesticide for narrow leaves.

#### 7.2.2

The CH has maintained records of pesticide use. It has been shown in the document Pesticide Use for 2021 – May 2023 which contains the pesticide brand, active ingredient, LD50, and active ingredient usage per ha. For example, Penta up with the active ingredient glyphosate 480 g/L, with an LD50 of 4,230 mg/kg. The application area until May 2023 is 2,179 ha with a volume of 514 L, so that the active ingredient/ha in January – May 2023 is 113 g/ha.

#### 7.2.3

The CH has a commitment to minimize the use of pesticides and has the IPM concept. The results of the document review show that the trend of pesticide use in 2022 and 2023 (January to May) tends to decrease. For example, the use of glyphosate in 2022 is 1.1 L/ha and in 2023 it is 0.24 L/ha. Documents on maintenance/planting of beneficial plants such as *Turnera ulmifolia* and *Turnera subulata* have also been shown. Also shown BOB monitoring of 194 in PNBE. The results of field observations also revealed that there were *Turnera ulmifolia* plants in Block G14 and BOB in K13.

#### 7.2.4

From the results of field observations and interviews with management representatives, it was discovered that there was no prophylactic method for using pesticides by the company. The company only carries out control using pesticides if the pest attack census shows results above the threshold.

#### 7.2.5

The CH has a commitment/policy of not using pesticides included in WHO classes 1a and 1b, or included in the Stockholm convention, as well as paraquat contained in the Sustainability Policy dated 13 August 2015. The results of a review of pesticide use documents for the period January to May 2023 show that pesticides are used include glyphosate, Methyl

metsulfuron, Ammonium glufosinate, and Triclopyr. There is no use of WHO classes 1a and 1b, nor is it included in the Stockholm convention.

The results of field observations in spraying activities in Block K14 revealed that workers used glyphosate. The results of interviews with workers/company representatives revealed that during the last 1 year they used pesticides including glyphosate and did not use paraquat. Based on field observations at the chemical storage in PNBE revealed that there was no paraquat, WHO classes 1a and 1b pesticides, nor is it included in the Stockholm convention. Based on this, it is known that there is no use of pesticides included in WHO classes 1a and 1b, or included in the Stockholm convention, as well as paraquat in company operations.

#### 7.2.6

Pesticide applications have been carried out by persons who have completed the necessary training and have been applied according to the product label. The results of interviews during field observations in spraying activities revealed that workers were able to explain the safe handling of pesticides according to procedures. The source informed that they had received training in handling pesticides from the company. The results of field observations also showed that workers had implemented safe work techniques. As a result of document review, it is known that pesticide training has been held at the company, including on May 25, 2023.

#### 7.2.7

The storage of pesticides at the company complies with best practices. The results of field observations in the pesticide warehouse area at PNBE show that pesticides have been grouped by type, there is an MSDS in a language understood by workers, symbols for hazardous and toxic substances, in a place that has good air circulation and sufficient lighting. The warehouse is locked and there is a limited area warning and the use of PPE when accessing it. The results of interviews with workers revealed that workers could explain and demonstrate safe work techniques in that area.

#### 7.2.8

The company has management of pesticide packaging waste SOP with document number 004/KG-BGA/CS/11/2022/R0 and effective date started from 23<sup>rd</sup> March 2023. The procedure explains that all pesticide packaging waste must be rinse off three times then drained in the BGS house. The drained pesticide waste packaging must be stored in the Hazardous and Toxic Waste Warehouse to be taken by the transporter, next to the licensed collector. The employees are not allowed to bring the pesticide packaging waste to their houses and to reuse it. Based on observation to the employee's housing in Pundu Nabatindo Estate, there is no pesticide packaging waste usage by the residents.

Based on field visits and interview with pesticide warehouse operator and the temporary storage area for hazardous and toxic waste in Pundu Nabatindo Estate, it is confirmed that the pesticide storage area is well managed.

The company has an agreement letter for hazardous waste transporting with PT Semesta Langgeng Sentosa number 01/MOU/WNL-SLS/III/2023 on 1<sup>st</sup> March 2023 valid until 1<sup>st</sup> March 2024. The transportation of 0.288 tons pesticide packaging waste was last carried out from Pundu Nabatindo on 4<sup>th</sup> April 2023 by licensed transportation of PT Semesta Langgeng Sentosa according to the KLHK-1685372929 manifest.

#### 7.2.9

Based on the results of a review of pesticide application documents and interviews with management, spray workers and the village heads, it was found that during ASA 1.4 the company did not apply airborne spraying.

#### 7.2.10

There are results of blood chemistry examinations (SGOT, SGPT, Ureum, and Creatinine) and X-rays for 28 PNBE workers which were carried out on August 18, 2022. The results of the examination released by the Prodia Laboratory stated that all workers who took part in the health examination had heart and lung conditions Good. This has explained previous OFI audits. For 2023, The CH shows plans to carry out *Cholinesterase* and spirometry examinations on June 26, 2023, for PNBE and PNBM area workers.

#### 7.2.11

The CH has a commitment regarding pesticide applicators not carried out by pregnant or lactating women, or people with



medical limitations contained in the company's policy to protect the reproductive rights of women workers. The results of field observations in spraying activities at PNBE found that there were no female workers who were pregnant and/or breastfeeding, or with medical limitations. The results of the interviews revealed that women workers who were pregnant or breastfeeding, or workers with medical limitations were transferred to non-pesticide jobs. Based on this, it is known that there are no workers who are pregnant, or breastfeeding, or with medical limitations who apply pesticides.

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 the waste and its sources of pollution and prepared a waste and pollution management plan in 2023. The identification is grouped by waste name, waste code, solid or liquid type, waste characteristics, storage volume, and storage purpose. The waste is managed in accordance with waste management procedure and government regulation. The waste identification and management plan stipulated in document of Waste Source Identification and Management, namely the waste and pollution from Mill and Estates.

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

The company utilizes fiber and shells as boiler fuel, while EFB is applied to plantation land as fertilizer for oil palm plants. Further explanation on indicator 7.9.1.

#### POME

The waste treatment process in the factory with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD  $\leq$  5000 mg/l. Pundu Nabatindo POM has permit to utilize palm oil industrial wastewater on the ground (Land Application) number 660/506/DLH EK.SDA/VII/2017 which was legalized on 24<sup>th</sup> January 2017 stated that the permit validity is 5 years. However, based on the technical directive by the Environmental Agency No 660/58/DLH-TL/VIII/2022 on 1<sup>st</sup> August 2022, it is mentioned that the land application permit is still valid if there is no change in the operational activities. There are 10 ponds in Pundu Nabatindo POM WWTP. Pond number 7 is the one which distributed for Land Application to the estate.

#### Hazardous and Toxic

The company has a permit for the Temporary Storage of Hazardous and Toxic Waste by the Regional Government based on the Decree of the Head of the Investment Service and One Stop Services of Kotawaringin Timur Regency Number 018/DPMPSTP-PT/LB3/III/2020. It was ratified on 2<sup>nd</sup> March 2020 and valid for 5 years. It is stated in the permit that the company has 6 locations of hazardous and toxic waste warehouses as follows:

Location	Coordinate		Size (Meter)		
	S	E	Length	Wide	Hight
Pundu Nabatindo Mill	01°59'34.9"	113°03'45.9"	6	3	3
Pundu Nabatindo Estate	01°59'57.1"	113°05'45.6"	3	4	4
Central Pundu Nabatindo Traksi	01°59'45.8"	113°03'39.1"	6	12	4
Katari Agro Estate	01°59'57.1"	113°05'45.6"	3	4	4
Katari Agro Mill	02°05'53.3"	113°02'22.0"	5,5	8	4
Pantai Mas Estate	02°2'49.24"	113°2'29.02"	2	2	2

The company has agreement letter for hazardous waste transporting with PT Semesta Langgeng Sentosa Number 01/MOU/WNL-SLS/III/2023 on 1<sup>st</sup> March 2023 valid until 1<sup>st</sup> March 2024. The last transporting of the hazardous waste on 4<sup>th</sup> April 2023 from Pundu Nabatindo POM namely:

- Manifest number KLHK-1685372929 is pesticide packaging waste 0.288 ton.
- Manifest number KLHK-1688483526 is used oil 0.687 ton.
- Manifest number KLHK-1686376630 is used rags 0.06 ton.



**7.3.2**

The company has SOP documents related to waste disposal management as follows:

- SOP Mill Processing BGA-OP-1002 on 1<sup>st</sup> January 2014 Procedure Final Effluent: final effluent treatment before applied as Land Application.
- SOP PT Windu Nabatindo Lestari WNL-SUST-SOP-17 on 1<sup>st</sup> March 2018 Utilization of biomass waste in palm oil mill: fiber and shell are utilized as renewable fuel for boiler, EFB sent to the plantation as organic mulch, boiler ashes sent to dumping area, and the methane hasn't been utilized due to the technology and financial limitation.
- SOP PT Windu Nabatindo Lestari WNL-SUST-SOP-14 on 19<sup>th</sup> July 2021 Hazardous and Toxic Waste Management: hazardous waste generated by operational activities such as used packaging is contaminated. Other hazardous and toxic waste such as used oil drums, used paint buckets, used buckets, used containers, buckets used grease and used chemical sacks/packaging are stored in the hazardous Waste Temporary Storage Area.

Based on observation and interviews with company management and staff of Pundu Nabatindo Palm Oil Mill and Pundu Nabatindo Estate, it can be concluded that they have good understanding in handling waste disposal. The company also held several socialization and training to the employee regarding the waste disposal, namely:

- Socialization on waste placement on 21<sup>st</sup> March 2023: waste must be categorized based on organic, non-organic, and Hazardous & Toxic Waste. All must be labelled.
- Socialization on Hazardous & Toxic Waste on 21<sup>st</sup> February 2023: to have better understanding on the danger and risk of Hazardous & Toxic Waste.

The company cooperates with the official waste collection contractor for transportation of hazardous and toxic waste, namely PT Semesta Langgeng Sentosa (PT SLS) with agreement letter number 01/MOU/WNL-SLS/III/2023 on 1<sup>st</sup> March 2023 valid until 1<sup>st</sup> March 2024. The company has and can show documents for storing and handling Hazardous and Toxic Waste in accordance with SOP for storing and handling waste. These documents include balance sheets, logbooks and Hazardous and Toxic waste manifests.

The company provides facility for waste disposal, such as organic and non-organic waste bins and domestic waste transportation. The waste is collected from housing or emplacement to the landfill area twice a week by dump truck.

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Domestic waste: based on field observation, the company has collected domestic waste periodically and dump it to the landfill and it is known that location of landfill is far away from waterways and the housing area.
- Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on the results of field verification, information is obtained that there are 2 types of EFB processing, consisting of intact EFB (directly from the mill) and FFB managed by composting.
- Shell and fiber are reused for engine fuel of boiler. It reduces the carbon emission from the combustion of fossil fuel.
- The managing for clinical waste, the company also has cooperation with licensed parties such as PT Semesta Langgeng Sentosa.

**7.3.3**

The company does not burn their waste for waste disposal. The observation to landfill area in Pundu Nabatindo Estate and interview with employee and housing residents are supporting that fact. Waste is categorized into organic, non-organic, and hazardous & toxic waste. Each type of waste is treated differently as regulated in the company SOP (mentioned in indicator 7.3.2). Domestic waste is transported every twice a week and dumped into landfill area, then buried when the landfill is full. During the field observations to the employee housing area in Pundu Nabatindo POM and Pundu Nabatindo Estate, there is no traces of burning activities. Besides, there are warnings to prohibit waste burning activities as well as the dangers that could arise from burning activities. Interviews with employees who live in the housing estate also stated that they had never burned waste due to sanctions.

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

**7.4**

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

#### 7.4.1

The CH has procedures regarding soil fertility for productivity and has a minimal impact on the environment, as follows:

- Fertilization procedure with code BGA-AGR-KS-SOP-01 Volume 2 contains Fertilization (SOP-09).
- The mechanism for taking soil and leaf samples is regulated in the Inter Office Memo Research Department no 053/IOM-RSC/XII/20 dated 28 December 2020. Leaf samples are taken from January to February every year, and soil samples are taken from March to April.
- BGA-AGR-KS-SOP-01 Volume 3 contains Management of Marginal Lands (SOP-16).

#### 7.4.2

The latest records of soil and leaf tissue analysis are available, as follows:

- Soil tissue analysis was carried out by the BGA Analytical Laboratory Research Department laboratory, on March 24, 2023, with a total of 24 samples, with test parameters including pH, C-Org, N, C/N, and Total P.
- Leaf tissue analysis was carried out by the BGA Analytical Laboratory Research Department until April 2023 in a total of 14 samples, with test parameters including N, P, K, Mg, Ca, and B.

#### 7.4.3

Element recycling strategies such as EFB and LA are available. For LA during 2022 to 2023 in the PNBE estate. For the 2022 application land in the PNBE Estate is 14,641 m<sup>3</sup>. The results of field observations in F18 Division 1 are known to have been carried out by LA. The EFB application is known from the results of field observations in Block K13.

#### 7.4.4

The CH has maintained records of the use of fertilizers that have been applied on the estate. The results of the document review show that fertilization in 2022 has been carried out 100% according to recommendations. For example, 118.8 tons of RP application during the 2022 period and 635.4 tons of NPK Granules have been applied, which is in accordance with recommendations.

Status: Comply

### 7.5

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

#### 7.5.1

The CH shows a map of marginal areas compiled by the GIS Department based on survey activities with the BGA Research Department. Marginal land is defined based on the main limiting factor, so it requires special action / treatment. There is a map document of PT WNL PNBE marginal land from the Department of GIS BGA with a scale of 1:50,000 (projection UTM Datum WGS 84) with the following types of marginal soil:

- Poor drainage area (1,532 Ha).
- Spodic area (730 Ha).
- Deep and lateritic sand areas (934 Ha).
- Kaolin flat area (397 Ha).
- Hill area without conservation (111 Ha).

#### 7.5.2 & 7.5.3

Until the ASA 1.4 assessment was carried out, there were no new planting or replanting activities within the scope of the certificate carried out by the Company.

Status: Comply

### 7.6

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

#### 7.6.1

The company shows a map of marginal areas compiled by the GIS Department based on survey activities with the BGA

Research Department. Marginal land is defined based on the main limiting factor, so it requires special action / treatment. There is a map document of PT WNL PNBE marginal land from the Department of GIS BGA with a scale of 1:50,000 (projection UTM Datum WGS 84) with the following types of marginal soil:

- Poor drainage area (1,532 Ha).
- Spodic area (730 Ha).
- Deep and lateritic sand areas (934 Ha).
- Kaolin flat area (397 Ha).
- Hill area without conservation (111 Ha).

The map is used to identify areas that are not suitable for planting.

#### 7.6.2

Until the ASA 1.3 assessment was carried out, there were no new plantings carried out by the Company, neither new land development nor replanting activities in scope certification.

#### 7.6.3

The CH already has topographical maps and soil surveys in managing the planting area. This information has been used by the company in the development of oil palm plantations which are now underway, such as the construction of road infrastructure, bridges, sluice gates, ditches, and others.

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

#### 7.7

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

##### 7.7.1 – 7.7.7

Based on the PNBE soil type map dated 10 July 2021 with Map Number 02/SSDM/Tanah Type/WNL/2021 which has been approved by the Regional Head which explains that there is no peatland in the PNBE area. The soil types found in PNBE are *Dystrudepts*, *local alluvium*, *paleudults*, *plinthudults* and *quartzpsamments*.

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

#### 7.8

Practices maintain the quality and availability of surface and ground water

##### 7.8.1

Based on AMDAL document for PT WNL 2008, the UKL-UPL for the Pundu Nabatindo Mill 2013, the document identification of the HCV high conservation value area 2012, as well as the map of river flows and water sources at a scale of 1:63000, it can be seen that there are three points of water sources in the operational area of PT WNL unit Pundu Nabatindo Mill, namely the Cempaga Buang River, Bengkuang river and Anak Bengkuang river. Based on the document, it is also known that the management plan for water sources is to test the quality of surface water and monitoring wells every semester. All tests are carried out by a KAN accredited laboratory (LP-024-IDN). The company shows the results of surface water quality testing for all identified water sources contained in all RKL - RPL reports for the second semester of 2022 and has been reported to the Environmental Agency of Kotawaringin Timur Regency on 19<sup>th</sup> January 2023 with letter number 03/EXT/Sust/WNL/RKL-RPL/I/2023.

The company does not limit access to clean water and workers have adequate access to clean water. Based on the field observations in the estate housing area as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from drilled wells provided by the company. Factory workers who lived in factory housing utilize the water source from reservoirs which has been processed in WTP. The company has consistently had a water management plan for mills and plantations that is stated in the Environmental Management and Monitoring document as well as riverbank management programs and other water sources.

Testing for drinking water is also carried out by the company to see the quality and quantity of ground water taken from monitoring wells and drilled wells. The guidelines used in measuring and testing drinking water quality is the Minister of Health Regulation Number 32 2017, concerning Environmental Health Quality Standards and Water Health Requirements.

It appears that all parameters are below the standard quality standards. The realization of water quality improvements that have been carried out by the company include:

- Conduct socialization to all employees and the surrounding community regarding water utilization.
- Maintain a hygienic environment around water sources to minimize pollutants.
- Create a program to improve water quality gradually with the provisions of the applicable laws.
- Report the results of the examination in accordance with the provisions of the applicable laws.
- Testing the quality of river water and wells listed in the RKL/RPL report.
- Management of surface water erosion and runoff, water management in low-lying areas and monitoring of surface water quality as stated in the implementation of the RKL-RPL.
- Management of riverbanks and water sources (reservoirs).
- Waste water management using WWTP and utilizing it in licensed application areas as well as monitoring the quality of wastewater and monitoring wells.
- Monitoring the use of water for palm oil processing and evaluating the use.

#### 7.8.2

The company has SOP on Water Management and Water Sources Maintenance in SOP High Conservation Value Management Program no BGA-SOP-CCS-1113 on 31<sup>st</sup> August 2012. It contains procedures for HCV conservation including riparian areas and water sources, for example:

- Installing boundary signs.
- Involve the people who participate water sources usage to manage water sources and prevent the functions change
- Monitoring periodically to find out the water table, water quality and take corrective actions.
- Management of buffer zones.
- Control of chemical application.
- Water management programs.

Water surface is tested based on PP RI No 22 2021 regarding to Implementation of Environmental Protection and Management, attachment VI National Water Quality Standards. Testing parameter such as DO (Dissolved Oxygen), BOD (Biological Oxygen Demand), and COD (Chemical Oxygen Demand). Based on all test results in Cempaga Buang Upstream and Downstream rivers, it shows that the results of river water quality inspection are not above the quality standard if using Class 4 Water Quality Classification Requirements. Class 4 is used based on river conditions. It is located in the company area and cannot be utilized by the community for consumption and daily needs. Since it is affected by peat water in the Cempaga Buang river watershed. It is explained in the initial baseline of the environmental document, so that operational activities do not add the pollution burden in the river. The test was carried out by a KAN-accredited Laboratory (LP-024-IDN). The company also makes efforts to manage surface water quality, including:

- Socialization and training to all employees, especially spray employees, not to spray in the riparian area to avoid leakage of chemical particles into the river when it rains.
- Installation of signboards warning to prohibit using chemicals as well as boundary signs with red paint along the river buffer at least 50 meters as recommended in the HCV assessment results 2012.
- Socialization in collaboration with related local government elements (police and local Muspika).

#### 7.8.3

The POME quality testing document review shown from September 2022 to December 2022. All POME testing parameters are compliant to the standards quality. For examples BOD in December 2022 is 283 mg/l with threshold 5000 mg/l and pH 8.24 with threshold 6-9. All of POME management and monitoring has been reported to related institutions regularly every 3 months. The POME quality testing still complies with KepmenLH number 28 2003.

Pundu Nabatindo POM has permit to utilize palm oil industrial wastewater on the ground (Land Application) number 660/506/DLH EK.SDA/VII/2017 which was legalized on 24<sup>th</sup> January 2017 stated that the permit validity is 5 years. However, based on the technical directive by the Environmental Agency No 660/58/DLH-TL/VIII/2022 on 1<sup>st</sup> August 2022, it is mentioned that the land application permit is still valid if there is no change in the operational activities.

Based on the observation in WWTP and LA, it is confirmed that there is no pollution to the environment such as leaks or flooding. Therefore, the implementation of LA in Pundu Nabatindo POM does not cause a significant negative impact to

surrounding environment. Based on the interviews with WWTP officers, it is stated that every liquid waste that flows into LA is always recorded. The flow meter used is functioning properly and there has never been a leak or flood in the WWTP area.

#### 7.8.4

The mill water usage has been monitored and recorded in document of Recapitulation of Water Usage and Distribution. The record has been covered the FFB process, detail water usage for process and non-process, total water usage, and water usage per ton FFB. For instance, the total water usage in 2022 was 323.701 m<sup>3</sup> and the FFB in the process is 269,751 ton with ratio usage 1.2 m<sup>3</sup>/ton FFB.

The company has a mechanism for measuring mill water usage, described in IOM No. 048/IOM/EN-BGA/IX/2016 on 13<sup>th</sup> September 2016. It is explained that the measurement uses a flow meter (recording in the morning and evening). The observation to the Water Treatment Plan (WTP) also showed that the flow meter used is still functioning well, and the officer responsible for the WTP understands on the WTP process and records flow meter data. Officers can also show the input data for inlet and outlet, which is recorded every day.

Status: Comply

### 7.9

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

#### 7.9.1

The company utilizes solid waste to increase the efficiency of fossil fuels and to optimize renewable energy. It can be confirmed by these records:

Period	FFB Process	Shell Used	Fiber Used	Kwh Turbine	Kwh Genset
January 2022	10.298.320	478.643	1.132.590	18.429	763
February 2022	12.119.468	590.525	1.335.584	18.377	1.000
March 2022	16.337.386	828.483	1.799.171	27.556	1.247
April 2022	23.272.842	1.126.552	2.557.651	35.941	893
May 2022	27.137.260	1.282.769	2.960.930	31.429	838
June 2022	31.059.056	1.479.258	3.423.035	38.560	328
July 2022	26.135.290	1.159.773	2.889.015	32.811	834
August 2022	29.994.283	859.886	3.272.915	31.096	649
September 2022	26.363.299	984.103	2.903.694	30.961	597
October 2022	27.862.877	1.350.013	3.062.203	31.337	499
November 2022	21.960.131	1.040.816	2.423.557	33.270	907
January 2023	15.542.301	763.461	1.709.653	741	886
February 2023	19.113.764	916.483	2.077.423	569	321
March 2023	16.337.386	996.129	2.301.055	620	17
April 2023	22.821.051	1.062.320	2.384.800	557	0
May 2023	27.137.260	1.713.039	3.093.747	726	0

Based on the table, it can be concluded that the renewable energy utilized from January 2022 to May 2023 in average is 20.811 kwh.

Status: Comply

### 7.10

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

#### 7.10.1

The company has GHG inventory within the scope of PT WNL, these following data can confirm the identification of GHG produced by PT WNL, particularly for the Katari Agro Mill unit and its supplier plantations. The list of GHG emission sources, including:



Emissions Factor from Mill	Emissions Factory from Estate
<ul style="list-style-type: none"> <li>- Use of Solar for transport &amp; Machinery</li> <li>- Use of Fertilizer</li> <li>- Use of Solar for PKs activities</li> <li>- POME Pool Management</li> <li>- Use of Fiber and shells for boilers and generators</li> <li>- Land Application</li> <li>- EFB application</li> <li>- Methane Capture</li> </ul>	<ul style="list-style-type: none"> <li>- Planting cycle (25 years GHG emission cuts from land use change from forest to oil palm)</li> <li>- Emissions from planting oil palm on peatlands</li> <li>- Annual carbon sequestration.</li> </ul>

Identification of significant sources of GHG emissions has been identified. Therefore, the mitigation plan is developed by the company, both for mills and plantations. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, use of fossil fuels for operations and transportation.

The mitigation plans such as the right dose of fertilizer use and application as recommended, reduction of reuse and recycling actions, restrictions on electricity use, transportation and machine maintenance, and periodic air quality tests. The company has also reported the results of the GHG calculation to the public with a summary report that can be viewed on the RSPO website.

Reduction of fossil fuels at Pundu Nabatindo Palm Mill Oil has been implemented by using fiber, shells and EFB for substitution boiler fuel. The company also uses POME with test results from the monitoring period January 2022 – May 2023, showing that all wastewater testing parameters have met the applicable quality standards. Based on documents review for instance: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others. It can be concluded that the input data to RSPO palm oil GHG Calculator is accurate. GHG calculation using palm GHG Calculator 4.0. The summary of GHG emissions for the period January - December 2022, is listed as follows:

Association	No. Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	2	42,885.07	4,248.89
Group Plantation	0	0.00	0.00
3rd Party	2	226,865.54	5,152.37
<b>Total</b>	<b>4</b>	<b>269,750.61</b>	<b>9,401.26</b>

#### Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	0.92	tCO <sub>2</sub> e/tProduct	Oil palm planted on mineral soil	9401.26	Ha
PK	0.92	tCO <sub>2</sub> e/tProduct	Oil palm planted area on peat	0	Ha
PKO	0	tCO <sub>2</sub> e/tProduct	Total oil palm planted area	9401.26	Ha
PKE	0	tCO <sub>2</sub> e/tProduct	Conservation area (Forested)	14.70	Ha
OER	22.59	%	Conservation area (non-Forested)	116.87	Ha
KER	4.70	%	FFB Production per hectare	62.72	t/ha

#### Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO <sub>2</sub> e	tCO <sub>2</sub> e/t FFB	Emission Source	tCO <sub>2</sub> e
POME	52875.69	0.20	PK from own mill	0.00
Fuel Consumption	879.06	0.00	PK from other sources	0.00
Grid Electricity Utilization	0	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	-4.38	-0.02	Total Crusher Emissions	0.00
Sale of PKS	-1870.00	0.00		
Sale of EFB	0	0.00		
<b>Total</b>	<b>51880.37</b>	<b>0.19</b>		



**Estate / Plantation Field Emissions and Sinks**

Description	Emission (tCO2e)			TOTAL
	Own	Group	3rd Party	
Emission Source				
Land Conversion	18681.65	0.00	21775.85	40457.50
CO2 Emissions from Fertilizer	511.56	0.00	1733.34	2244.91
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertilizer	211.24	0.00	779.76	991.01
Fuel Consumption	258.40	0.00	2072.64	2331.03
Peat Oxidation	0.00	0.00	0.00	0.00
Sinks				
Crop Sequestration	-18257.47	0.00	-0.10	-41259.68
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	1270.58	0.00	14911.46	16182.04

**FFB Supplier**

No	Supplier Name	FFB Production by Estate/Plantation (t)	FFB Supplied by Estate/Plantation (t)	Percentage of FFB supplied by Estate/Plantation (%)
1	Harapan Abadi Cooperative (Small Holders - Non Certified)	419129.87	149851.69	37.75
2	Outgrowers WNL	77013.85	77013.85	100.00
3	Pantai Mas Estate	50680.32	54.23	0.11
4	Pundu Nabatindo Estate	42830.84	42830.84	100.00

**Palm Oli Mill Effluent Treatment**

POME Treatment	Unit	Value
POME Produce	t/yr	181407,29
CH <sub>4</sub> (Total)	t/yr	2376,44
Applied N in POME	t/yr	45,18
Total N <sub>2</sub> O emission from POME	tCO <sub>2</sub> e/yr	0,54
POME Diverted to Compost	%	44,65
POME Diverted to anaerobic digestion	%	55,35
• POME to anaerobic pond	%	100
• POME to methane capture (flaring)	%	0
• POME to methane capture (electricity generation)	%	0

*\*POME is processed in WWTP and compost*

From the GHG Calculator data, it can be seen that the value of CPO and PK has decreased slightly from ASA 1.3 where in 2022 the value is 0.92 tCO<sub>2</sub>e/tProduct, while for 2021 the value is 1,02 tCO<sub>2</sub>e /tProduct. It is as a result of the difference in the use of POME, which was originally entirely applied to LA, for this year 44,65 % POME for the composting process.

**7.10.2**

Based on interview with company management and document verification, it is known that there has been no new land clearing since 2014. The company no longer undertakes new developments after 15<sup>th</sup> November 2018; therefore the HCV document is still valid and does not require an HCS assessment.

**7.10.3**

The company has identified pollutions and emissions sources of Pundu Nabatindo POM in 2022, such as CO<sub>2</sub> (boiler, generator, transportation), CH<sub>4</sub> (POME), hazardous waste (WTP and chemical storage), noise (machinery). The sources of pollution and emissions from estate are listed on the identification documents and management plans for pollution sources for the period 2022, such as emissions (CO<sub>2</sub>, CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to reduce or minimize have been implemented and monitored as explained in RKL-RPL second semester 2022. Fossil fuel reduction on Pundu Nabatindo POM has been implemented by fiber and shell usage for the boiler.

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

**7.11**

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

**7.11.1**

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

The results of field observations, interviews with various parties from the Company, and document review during ASA-1.4 activities, revealed that there was no replanting or new planting.

**7.11.2**

The CH has a no-burning policy as stipulated in the Environmental and Biodiversity Policy and was approved by the Regional Head on 1 June 2016 which stated that PT BGA in carrying out its business is committed to clearing land by implementing a zero-burning system (no burning) in all development activities and waste disposal. The company also has a fire prevention SOP:

- SOP for Fire Management and Prevention (BG-WNL-KRD/PRO-19/03/2012) was approved on 21 March 2012 by Area Controller 3. Emergency response conditions identified include fire, explosion, pollution, natural disaster, civil violent riots, demonstrations, work accidents. In general, the SOP contains fire prevention procedures (with APAR, Hydrant), fire prevention processes, coordination, communication, training, and outreach.
- The Work Instruction for Handling and Prevention of Land Fires (BGA-WNL-KRD/IK-20/03/2012) was ratified on March 21, 2012, by the Area Supervisory 3. The procedure describes prevention of land fires, formation of firefighting teams, prevention of land fires, and post-power outage activities.

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

- Creating an internal emergency response structure for multilevel PT WNL, starting at the estate level up to the regional level, with regional leaders being in command of the emergency response.
- Establish a forest and land fire control task force, with a core firefighting team consisting of 135 officers, which means 9 firefighting teams to cover an area of 17,500 ha.
- Establish operational mechanisms for controlling plantation fires such as early warning, early detection, suppression and post-fire management.
- Completing plantation fire control facilities such as the Lapan fire hotspot application, construction of monitoring towers (13 units), procurement of drones (6 units), individual firefighting equipment, team equipment, other facilities in accordance with Minister of Agriculture regulation number 5 of 2018, manufacture and maintenance water reservoirs, and creating a water management system.
- The results of the study of the Forest and Land Fire Control Report for semester 2 of 2022, it is known that there were no fires in the Company's area during semester 2 of 2022. This is in line with the results of an interview with the Agriculture Service Office of Kotawaringin Timur which explained that there were no fire hotspots in the area PT.WNL. The results of the document review also revealed that in addition to internal fire monitoring efforts, maintenance of infrastructure, maintenance of ponds, it was also known that simulations and internal training for emergency response teams had been carried out, involving residents of plantation housing, as well as communities around the plantations.

The results of the field visit also show that socialization regarding the prohibition of burning land has been conveyed through direct socialization to employees during morning assembly and symbols posted in places that are easy for everyone to read. Field observations at the APAR storage location also show that the equipment provided is quite complete and in good condition, this is evidenced by simulations of water pumps and hydrants.

### 7.11.3

The CH's commitment to involving stakeholders in adjacent locations for fire prevention and control measures has not changed as with previous audits. The CH has a Memorandum of Agreement between PT. BGA group Pundu Region with the sub-district leadership communication forum (FKPK) Cempaga Hulu District, East Kotawaringin Regency, Central Kalimantan in an effort to collaborate in preventing and controlling forest and land fires with a document date of July 23, 2020. The document explains the agreement to collaborate in framework for controlling/preventing land fires. The collaboration will be carried out in the following form:

- The parties jointly conducted outreach to the community and company employees regarding the prohibition of land clearing by burning.
- The parties jointly have an obligation to mutually prevent and safeguard the occurrence of forest and land fires.
- The parties will form a Team of Forest and Land Fire Control Officers. The mechanisms in the field will be discussed together.
- The parties jointly involve the community and employees in controlling land fires.
- The parties will work together to handle forest and land fires.

The company also presented a document in the form of External Memo Number 01/RII/EXT /W/2021 dated June 15 2021 regarding Anticipation of the Dry Season and Efforts to Prevent and Overcome Forest and Land Fires in the Company Area and Surrounding Villages addressed to the Head of Pundu Village, Head of Pantai Village Harapan, Head of Bukit Batu Village, Head of Pelantaran Village, Head of Keruing Village, Head of Bukit Raya Village, Head of Sei Ubar Village, Head of Selucing Village, Head of Lumbang Kojing Village and Head of Hampalit Village. This document appeals to the people of villages around the company area not to clear land by burning and to immediately inform the company if they know of fire hotspots in the company area and/or in the village area around the company by calling the company's emergency response team number.

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

### 7.12

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

#### 7.12.1

Based on plantation management information and a review of the hectare's statements, it was found that there was no additional planting or expansion of the plantation operational area after November 15, 2018. However, the Company cleared land after November 2005 without prior HCV assessment so that remediation and compensation procedures apply. The company carried out an HCV assessment for PT WNL's area with an area according to the total HGU of 17,039.05 Ha which was carried out in September – October 2010 with the final document year 2012. There are differences in the area of the 2010 HCV Identification Document Study with a scope of 17,039.05 Ha, the Peer Review Document Study conducted in February 2012 with a scope of 11,550 Ha and PT WNL's IOM HCV, which is 11,550 Ha. The difference in area is because the HCV assessment conducted in 2010 for PT WNL is no longer the same as the current actual condition. The scope of the HCV assessment is currently divided into several management areas, namely certified PT WNL, non-certified PT WNL (PT FBI and PT GSM), PT WNS and KUD Harapan Abadi.

On December 15, 2015, the company conducted a LUCA study with an area of 11,550 Ha. Based on the results of the LUCA document study, it is known that the company cleared land in 2005-2010 with a total area of 740 Ha for Raw Liability and 48 Ha for Conservation Liability. The LUCA study was conducted for the scope of PT WNL and not for each certification unit within it (KAGM and PNBM). The company cannot show the distribution of area for each unit, so this indicator will apply to all units within the scope of LUCA, namely PT WNL. The Company has also submitted Liability Disclosure and LUCA for all PT WNL to the RSPO Compensation Plan on 25 April 2016 and has PASS status or acceptable.

**7.12.2**

The company has a document for high conservation value areas identification. The study scope is the entire PT WNL area and not separate for each certification unit. The HVC assessment was carried out by the Bogor Agricultural Institute (RSPO Approve Assessor) in September – October 2010 with the final document on 2012.

The company no longer undertakes new developments after 15<sup>th</sup> November 2018. Therefore, the HCV document is still valid and does not require an HCS assessment. The HCV analysis uses the Toolkit for HCV Area Identification 2008 and the Management and Monitoring Plan for HCV areas. It is in accordance with the Indonesian RSPO Guidelines 2010. The result of HCV assessment has passed the peer review conducted by Dr. Kunkun Jaka Gurmaya in February 2012. The assessment result is no major and 3 minor issues, but all is fixed.

Based on the document review, the following information is obtained:

- The results of HCV Identification documents with total area of 17,039.05 Ha in accordance with the total HGU, conducted in 2010 with the date of the final document in 2012 showing the total HCV area in PT WNL is 359.75 Ha.
- The review from Peer Review document conducted in February 2012, the scope of study in the peer review is 11,550 Ha, of which the area is the current management area of PT WNL.
- The results of Internal Office Memo (IOM) document No. 611/Sustainability 3-RH 2/IX/2014 dated on 5<sup>th</sup> November 2014, showed that there was a change in the total area of HCV in PT WNL, which was originally 359.75 Ha to 206.42 Ha.
- The difference in area is because the HCV assessment conducted in 2010 for PT WNL is no longer the same as the current actual condition. The scope of the HCV assessment is currently divided into several managed areas, namely certified PT WNL, non-certified PT WNL (PT FBI and PT GSM), PT WNS and KUD Harapan Abadi.
- HCV assessment map 2010 with a scale of 1:45,000, in the map it can be seen that there are areas outside the current scope of PT WNL's certification.
- The result of IOM document explains the area for the Pundu Nabatindo Mill Certification Unit, which is a total HCV area of 78.50 Ha where the area is in accordance with basic info with details on the Bengkuang River and Anak Bengkuang Borders of 63.8 Ha and the Kerangas Forest of 14.7 Ha and all are still in a forested condition or not planted with palm oil.

HCV Area in PT WNL based on HCV Assessment, IOM and Each Unit of Certification

Location	HCV Type	HCV (2010) (Ha)	IOM (2014) (Ha)	Estate	Certification Unit
SS Bengkuang	1.1; 1.2; 1.3; 2.3; 4.1	146.66	63.80	PNBE	Pundu Nabatindo
SS Cempaga Buang	1.1; 1.2; 1.3; 2.3; 4.1	65.71	43.22	PMSE	Katari Agro
SS Bahaur	1.1; 1.2; 1.3; 2.3; 4.1	44.73	-	-	-
SS Bahaur Kuning	1.1; 1.2; 1.3; 2.3; 4.1	12.86	-	-	-
SS Ubar	1.1; 4.1	26.85	-	-	-
SS Ringgung	1.1; 1.3; 4.1	0.35	-	-	-
SS Katari	1.1; 1.2; 1.3; 2.3; 4.1	18.2	16.99	PMSE	Katari Agro
			17.02	KAGE	Katari Agro
SS Keruing	1.1; 1.3; 4.1	13.07	50.67	PAGE	Katari Agro
Danau Kembar	1.1; 1.3; 2.3; 4.1	1	-	-	-
Areal Blok A-33	1.2; 1.3; 2.3	1	-	-	-
Hutan Kerangas	2.3	29.3	14.70	PNBE	Pundu Nabatindo
Batu Keramat	6	0.01	0.01	PAGE	Katari Agro
Pohon Keramat	6	0.01	0.01	PMSE	Katari Agro
<b>TOTAL</b>		<b>359.75</b>	<b>206.42</b>		<b>78.50 Ha at PNBM</b>

\*SS = Sempadan Sungai (Buffer Zone/River Bank)

**7.12.3**

Indicator 7.12.3. is irrelevant in Indonesia, until further decision by the RSPO.

**7.12.4**

The company has HCV management and monitoring document in 2022, it records the implementation for these programs:

- Monitoring/maintaining buffer zone sign area in March and September 2022.
- Routine patrol and monitoring species in HCV area once a month.
- HCV socialization to employees in February and August 2022.
- HCV socialization to nearby villages in February and August 2022.
- Control the chemical contamination to HCV area once a month.
- Testing river water quality once a month.

The company has carried out management and monitoring in accordance with the established management plan, namely:

- Establishment of HCV boundaries through the installation of HCV attributes, for example signboards related to HCV, HCV forested, boundary signs of chemical use in palm oil plants.
- HCV socialization, for example, indirect socialization by the warning/prohibition's signboard or references to animal protection regulations, socialization/training to employees and suppliers, as well as direct external socialization to the community around plantation.
- Protection of water sources by determining boundary with HCV environmental services attributes, not applying chemical fertilizers within the defined river boundaries, planting bamboo on the riparian to avoid high erosion.
- Monitoring reports on animal/plant in 2022.

The latest HCV management plan is reviewed on 9<sup>th</sup> November 2022 with employee, Conservation and Natural Resources Agency, village heads, community leaders, and local communities around the operational area.

Based on observation during audit, for examples to Bengkuang River Block F11 Division 1, the company shows proper ways for maintaining and protecting the catchment area. They implement manual weeding and mark the border for chemical usage. The HCV signboard is seen in the area. It can also be confirmed that the riparian condition is well-managed and there is no chemical activity indications.

**7.12.5**

Based on the HCV identification document, it is known that there is no area needed by the community to fulfil their basic needs. In addition, based on interviews with village officials, it is known that the community no longer fulfils their basic needs from the forest but from local markets. The livelihoods of the surrounding community include farming with rubber or palm oil plantations.

**7.12.6**

The company has SOP for HCV Management Program Number WNL-SUST-SOP-18 on 1<sup>st</sup> March 2018 and company policy on Protection of High Conservation Values on 1<sup>st</sup> June 2016 by region head 2. The document states that in accordance with sustainability principle, all employees are advised not to hunt, kill, or sell endangered protected animals or plants, and report 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 laws and regulations. The company also installs hunting warning signboards and sanctions for violating government regulations in all HCV areas.

The company has a sustainability policy explained related to monitoring any endangered or vulnerable species and looking for any signs of illegal activity. The company is committed to conserving natural resources, protecting, and enhancing the existing natural environment and its biodiversity.

The company has established HCV management plan and conduct monitoring on the implementation. The patrol records on monitoring illegal hunting and other illegal activities also shown by the company.

For example, RTE patrols summary results in September 2022 in Cempaga Buang Riparian, it is reported that there is sparrow in the area. The patrol officer also reporting the signboard condition and the exact location of animal finding.

**7.12.7**

The company has HCV management activities in 2022. It is documented and reported. The monitoring outcome in 2022



is used for management plan in HCV management activities in 2023 as confirmed in the HCV Monitoring Report 2022.

The company has HCV management and monitoring document in 2022, it records the implementation for these programs:

- Monitoring/maintaining buffer zone sign area in March and September 2022.
- Routine patrol and monitoring species in HCV area once a month.
- HCV socialization to employees in February and August 2022.
- HCV socialization to nearby villages in February and August 2022.
- Control the chemical contamination to HCV area once a month.
- Testing river water quality once a month.

The company has carried out management and monitoring in accordance with the established management plan, namely:

- Establishment of HCV boundaries through the installation of HCV attributes, for example signboards related to HCV, HCV forested, boundary signs of chemical use in palm oil plants.
- HCV socialization, for example, indirect socialization by the warning/prohibition's signboard or references to animal protection regulations, socialization/training to employees and suppliers, as well as direct external socialization to the community around plantation.
- Protection of water sources by determining boundary with HCV environmental services attributes, not applying chemical fertilizers within the defined river boundaries, planting bamboo on the riparian to avoid high erosion.
- Monitoring reports on animal/plant in 2022.

#### 7.12.8

Companies can show proof of approval of RaCP Plan Bumita from RSPO (rspocompensation@rspo.org) on 9 January 2023 which explains that the RaCP Process for Bumitama has been completed and can continue with certification. The details of the company's RaCP are as follows:

<b>Type of compensation</b>	<b>Hectare to hectare-</b> The compensation plan for the FCL identified across 17 management units proposes compensation through <b>ex-situ</b> management of co-managed social forestry areas allocated to 2 distinctive village management units.
<b>Location(s) of the project</b>	Hutan Desa Belaban Tujuh – desa Sungai Melayu, Hutan Desa Gunung Tarak – desa Simpang Tiga Sebelangaan
<b>Expected compensation area</b>	7,708 hectares (6,881.86 ha is for this batch and another 824.38 ha compensation area to be included later for PT GHL and PT TTL extension)

In regard to the total expectation of the compensation area will be 7,708 ha, however the total of collective for this compensation plan FCL is only 6,881.86 ha, therefore, just to inform that the company planning to use this another 824.38 ha compensation area is reserved is to be adopted later for PT GHL and PT TTL extension which also under Bumitama. Hope this explained the blue quote in above summary. The company can also show evidence that PT WNL is included in the 17 Management units referred to in the RaCP.

Status: Comply



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

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or ✓</b>
ASA-1.4	PT Windu Nabatindo Lestari - Subsidiaries of Bumitama Agri Limited has licensees with number 1-0043-07-100-00.	✓
	Status: Comply	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or ✓</b>
ASA-1.4	PT Windu Nabatindo Lestari - Subsidiaries of Bumitama Agri Limited did not used RSPO trademark and Logo on product.	✓
	Status: Comply	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or ✓</b>
ASA-1.4	PT Windu Nabatindo Lestari - Subsidiaries of Bumitama Agri Limited did not used RSPO trademark and Logo on product.	✓
	Status: Comply	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or ✓</b>
ASA-1.4	PT Windu Nabatindo Lestari - Subsidiaries of Bumitama Agri Limited did not use RSPO logo.	✓
	Status: Comply	

### 3.3 Summary of RSPO Partial Certification.

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

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

MUTU has verified partial certification for un-certified unit's subsidiary of Bumitama Agri, Ltd based on their Time Bound Plan, Partial audit has been carried on early 2022 by internal team of BGA. There are nine (9) uncertified mills and thirty-two (32) uncertified estates management units of Bumitama Agri, Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p><b>PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 19 June 2016 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO</li> <li>- HCV was conducted on March 2012 by Forestry IPB</li> </ul> <p><b>PT Ladang Sawit Mas</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 16 July 2014 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO.</li> <li>- HCV was conducted on December 2013 by Sonokeling Akreditasi Nusantara.</li> </ul> <p><b>PT Lestari Gemilang Intisawit</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 7 November 2014 to RSPO</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO.</li> <li>- HCV was conducted on 2013 by Sonokeling Akreditasi Nusantara.</li> </ul> <p><b>PT Agro Manunggal Sawitindo</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on 7 November 2014 to RSPO.</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO.</li> <li>- HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara.</li> </ul> <p><b>PT Karya Makmur Langgeng</b></p> <ul style="list-style-type: none"> <li>- LUCA was sent on January 2015 to RSPO.</li> <li>- Documents RaCP Plan are wait for LUCA approved by RSPO.</li> <li>- HCV was conducted on July 2013 by Sonokeling Akreditasi Nusantara.</li> </ul> <p><b>PT Gemilang Makmur Subur</b></p> <ul style="list-style-type: none"> <li>- HCV was conducted on November 2016 by PT Gas Dinamika Aksenta.</li> </ul> <p><b>Auditor verification</b> Based on internal audit results and evidence provided (communication to RSPO on liability disclosure) shows that all subsidiaries of Bumitama has been sent to RSPO and now on progress of LUCA review.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>PT Langgeng Muara Makmur Sejahtera</b>, there is no new planting after January 1<sup>st</sup> 2010.</p> <p><b>PT Andalan Sukses Makmur</b>, NPP was completed for areal 5,630 Ha and publish on March 10th 2016.</p> <p><b>PT Investa Karya Bhakti</b>, NPP was completed for areal 5,700 Ha and publish on October 4th 2016.</p>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>PT Gunajaya Harapan Lestari, there is no new planting after January 1<sup>st</sup> 2010.</p> <p>PT Windu Nabatindo Sejahtera, there is no new planting after January 1<sup>st</sup> 2010.</p> <p><i>Auditor verification</i> Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1<sup>st</sup> January 2010 for PT Andalan Sukses Makmur and PT Investa Karya Bhakti but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>There is no land conflicts.</p> <p><i>Auditor verification</i> There is land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>There is labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><i>Auditor verification</i> There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can see in RSPO website that the status of dispute in closed for monitoring.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>PT Langgeng Muara Makmur Sejahtera</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahkan Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha</li> <li>Location Permit SK District Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha</li> <li>Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha</li> <li>IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha</li> <li>SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017.</li> </ul> <p><b>PT Andalan Sukses Makmur</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahkan Lokasi SK District Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>IUP No. 525/45/ek, 06 February 2013</li> <li>HGU on process.</li> </ul> <p><b>PT Investa Karya Bhakti</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha.</li> <li>Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha</li> <li>IUP No. 525/014/EK, April 21 2015, 5,700 Ha</li> </ul> <p><b>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</b></p> <ul style="list-style-type: none"> <li>HGU on process</li> <li>Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha</li> <li>Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha</li> </ul> <p><b>PT Gunajaya Harapan Lestari</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha.</li> <li>Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha</li> <li>Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha</li> <li>Extention Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha</li> <li>IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha</li> <li>HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha</li> </ul> <p><b>PT Windu Nabatindo Sejahtera</b></p> <ul style="list-style-type: none"> <li>Izin Prinsip Arahana Lokasi No. 02.04.28/525.26/463/XI/EkBang/03, 8th November 2003 for areal 7,000 Ha.</li> <li>Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha</li> <li>IUP No. 525.26/152/V/EkBang/2004, 17 May 2004 for 5,370 Ha</li> <li>Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision)</li> <li>IUP No. 525.26/386/V/EkBang/2007, May 30th 2007 for areal 5,000 Ha (Revision)</li> <li>Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha</li> <li>Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha.</li> </ul>

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>PT Windu Nabatindo Abadi</p> <ul style="list-style-type: none"> <li>• Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha</li> <li>• Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha</li> </ul> <p>PT Nabatindo Karya Utama</p> <ul style="list-style-type: none"> <li>• Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha</li> </ul> <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p><i>Auditor verification</i> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>



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

#### 3.4.1. Identification of Findings, Corrective Actions and Observations at ASA-1.3 Assessment

NCR No.	:	2022.1	Issued by	:	Yudhi Yuniarto Tallutondok
Date Issued	:	27 August 2022	Time Limit	:	15 September 2023
NC Grade	:	Minor raise to Major	Date of Closing	:	15 September 2023
Standard Ref. & Requirement	:	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 certification unit shows a list of FFB contractors and suppliers who are still active in 2022, for example CV Langgeng Abadi and CV Tani Subur which are FFB suppliers. The certification unit in this case shows the work contract documents with the certification unit for each FFB supplier in which each contract contains the fulfillment of legal obligations including: a. Provision of PPE for employees. b. Include employees in the <i>BPJS Kesehatan/ Ketenagakerjaan</i> program. c. Receive wages in accordance with the provisions of the City/ Regency Minimum Wage. d. Do not employ workers under 18 years of age. e. Not doing forced labor/involved in human trafficking.  Based on document verification show that each FFB supplier has good documentation regarding work agreements with the certification unit, proof of payment of employee wages, work agreements with employees and evaluation of each contractor. However, the certification unit has not been able to show documents related to proof of <i>BPJS</i> payments for employees of CV Tani Subur.					
Non-Conformance Description (filled by auditor): The certification unit in this case has not been able to show evidence related to the implementation of the fulfillment of legal obligations as stated in the work agreement letter with the contractor.					
Root Cause Analysis (filled by organization audited):  Lack of control from the PIC regarding the implementation of the Contractor's SOP due to staff changes.					
Correction (filled by organization audited):  1. Re-socialize Contractor SOPs to FFB suppliers and contractors. 2. Complete documents proving the implementation of the contractor's fulfillment of legal obligations in accordance with the signed cooperation agreement. 3. Contractor evaluation documents in accordance with the Contractor's SOP.					
Corrective Action (filled by organization audited):  1. Implementation of Contractor SOPs. 2. Carry out internal audits and contractor evaluations periodically.					
Assessor Evaluation and Conclusion (filled by auditor):  Auditor Verification on June 16 <sup>th</sup> , 2023 Based on the results of the document review: <ul style="list-style-type: none"><li>List of stakeholders for 2023 which informs that there are 14 FFB suppliers and 3 contractors working with the company. For example, FFB suppliers (CV Tani Subur, CV Langgeng Abadi, Supplier Sunarti, PT Borneo Lancar</li></ul>					

Abadi CV Sinar Jaya Borneo) and CPO/PK transport contractors (PT Surya Mentaya Jaya, CV Catur Borneo Abadi).

- The company shows a Cooperation Agreement with third parties for FFB suppliers and contractors, for example:
    - Goods Transportation Service Agreement Letter (SPKS-SAB) number 001/WNL/SPK/VI/2023 dated 8 June 2023 regarding the cooperation agreement for the work of transporting CPO between PT Surya Mentaya Jaya and PT Windu Nabatindo Lestari.
    - Local FFB Sale and Purchase Agreement number 004/SPKL/PNBM-TBS/XII/2022 dated 1 December 2022 regarding the FFB sale and purchase agreement between CV Tani Subur and PT Windu Nabatindo Lestari.
- The cooperation contract includes the fulfillment of legal obligations including:
- Involve all workers in the BPJS Employment and Health program.
  - Receiving wages in accordance with City/District Minimum Wage provisions.
  - Do not employ workers under the age of 18, forced labor, human trafficking and illegal labor.
  - Provide and use PPE for employees while working and within the company's operational environment.
- Proof of BPJS payment, for example:
    - Proof of payment for BPJS Kesehatan for the October 2022 period for CV Tani Subur employees. However, there is no information on the number of workers paid.
    - Proof of payment for BPJS Employment and BPJS Health for the May 2023 period for PT Borneo Lancar Abadi workers. However, there is no information on the number of workers paid.
    - Proof of payment for BPJS Employment and BPJS Health for the January 2023 period for CV Sinar Jaya Borneo employees. However, there is no information on the number of workers paid.
    - Proof of payment for BPJS Employment for the May 2023 period and BPJS Health for the June 2023 period for PT Surya Mentaya Jaya employees. However, there is no information on the number of workers paid.
    - Proof of payment for BPJS Ketenagakerjaan for the May 2023 period for CV Catur Borneo Abadi workers. However, there is no information on the number of workers paid.

Based on the results of public consultations with third parties, for example with FFB suppliers (CV Tani Subur), information was obtained that:

- Payment of wages to harvest workers, loading and unloading FFB and dump truck drivers based on yield units of IDR 200/kg FFB. However, proof of salary slips has not been shown to contractor workers.
- The contractor only provides PPE for dump truck drivers. Meanwhile, workers who harvest and unload FFB buy their own PPE.

Until the assessment is carried out, the unit of certification has not been able to show evidence that the third parties/contractors collaborating have fulfilled legal obligations in accordance with the SPK and relevant laws and regulations, such as but not limited to BPJS, payment of wages, personal protective equipment and others. Apart from that, the root of the problem, correction and corrective action to fulfil non-conformances have also not been accepted. Thus, the discrepancy on this indicator has not been fulfilled and the status becomes Major.

#### **Auditor Verification on August 14<sup>th</sup>, 2023**

The company shows evidence of improvement, namely as follows:

- CPO Transport Contractor (PT Surya Mentaya Jaya):
  - Employment Agreement Letter Number 228/SPK-ACPO/SM/II/2020 between the worker with the initials ADR and PT Surya Mentaya Jaya dated February 3<sup>rd</sup>, 2023. In this document it is explained that the worker as the owner of the tank truck vehicle No. KH 8255 FN police agreed to enter into a cooperation agreement as CPO transport drivers at PT Windu Nabatindo Lestari (KAGM and PNBM unit). The agreement is valid from January 1<sup>st</sup> – December 31<sup>st</sup>, 2023.
  - List of PT Surya Mentaya Jaya employees consisting of 7 people with the positions of director (KF), manager (MAR), financial manager (MFR), general manager (ASW), field coordinator 1 (HDR), field coordinator 2 (AF) and field coordinator 3 (YM).
  - Proof of BPJS Employment payment for the period May 2023 on May 29<sup>th</sup>, 2023. Auditor's comment: Proof of participation and total of workers paid has not been shown.
  - Proof of BPJS Health payment for the June 2023 period on June 9<sup>th</sup>, 2023. Auditor's comment: Proof of participation and total of workers paid has not been shown.

- Salary slips for workers with the initials HDR, AF and YM (field coordinator) for the period May 2023 who receive basic wages above the applicable district minimum wage, namely with an income of IDR 3,740,000 – IDR 3,880,000.
- CPO Transportation Contractor (PT Surya Mentaya Jaya) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to public safety, employment aspects, fulfillment of HSE requirements and positive response. The contractor obtained a score of 90 with a note that it was recommended for reuse.
- PK Transport Contractor (CV Catur Borneo Abadi):
  - Employee Agreement Letter between the worker with the initials AMD and CV Catur Borneo Abadi dated June 23<sup>rd</sup>, 2023. The document explains that the worker will work as an accountant. The agreement is valid from June 23<sup>rd</sup>, 2023 – June 22<sup>nd</sup>, 2024.
  - List of CV Catur Borneo Abadi employees consisting of 3 people with the positions of accounting (AMD), VDA (admin staff) and SLM (finance).
  - Proof of BPJS Employment payment for 6 workers for the May 2023 period on May 5<sup>th</sup>, 2023.
  - Auditor's comment: What about proof of payment for BPJS Health? Are workers at CV Catur Borneo Abadi included in the BPJS Health program?
  - Salary slips for workers with the initials AMD, VDA and SLM for the period July 2023 who receive basic wages above the applicable district minimum wage, namely with an income of IDR 3,300,000.
  - PK Transportation Contractor (CV Catur Borneo Abadi) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to public safety, employment aspects, fulfillment of HSE requirements and positive response. The contractor obtained a score of 96 with a note that it was recommended for reuse.
- FFB Supplier (CV Langgeng Abadi):
  - Contract Employment Agreement Letter Number 020/LA/SPK/I/2023 between a worker with the initials AS and CV Langgeng Abadi dated January 3<sup>rd</sup>, 2023. The document explains that the worker will work as an admin in a large office. The agreement is valid from January 1<sup>st</sup> – December 31<sup>st</sup>, 2023.
  - List of CV Langgeng Abadi employees consisting of 9 people.
  - Proof of BPJS Health payment on June 2<sup>nd</sup>, 2023.
  - Salary Slips for workers with the initials YK (employee mess and office positions) receive a basic salary in February 2023 below the applicable district minimum wage, namely IDR 3,000,000. Meanwhile, based on the Decree of the Governor of Central Kalimantan, it is known that the UMK applicable in East Kotawaringin Regency in 2023 is IDR 3,014,732.
  - FFB Supplier (CV Langgeng Abadi) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to public safety, employment aspects, fulfillment of requirements HSE and positive feedback. The contractor obtained a score of 82 with a note that it was recommended for reuse.
- FFB Supplier (CV Sinar Jaya Borneo):
  - Employment Agreement Letter Number 012/SPK-HRD/SUPIR-SJB/05/2022 between the worker with the initials ED and CV Sinar Jaya Borneo dated May 1<sup>st</sup>, 2022. The document explains that the worker will work as a dump truck driver.
  - List of CV Sinar Jaya Borneo employees consisting of 5 people.
  - Proof of BPJS Employment payment on May 3<sup>rd</sup>, 2023.
  - Proof of BPJS Health payment for the May 2023 period on May 3<sup>rd</sup>, 2023.
  - Salary slips for workers with the initials WPS, ED and YS for the period May 2023 who receive basic wages above the applicable district minimum wage, namely with an income of IDR 3,500,000 – IDR 4,800,000.
  - FFB Supplier (CV Sinar Jaya Borneo) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to general safety, employment aspects, compliance HSE requirements and positive feedback. The contractor obtained a score of 90 with a note that it was recommended for reuse.

- FFB Supplier (CV Tani Subur):
  - Contract Work Agreement Letter Number 010/CVTS/SPK/I/2023 between the worker with the initials AW and CV Tani Subur dated January 5<sup>th</sup>, 2023. The document explains that the worker will work as an Operations Manager. The work agreement is valid from January 1<sup>st</sup> – December 31<sup>st</sup>, 2023.
  - List of CV Tani Subur employees consisting of 3 people with the initials AW, HTK and ATW.
  - Proof of BPJS Health payment on August 4<sup>th</sup>, 2023.
  - Auditor's comment: What about proof of BPJS Employment payment? Are workers at CV Catur Borneo Abadi included in the BPJS Employment program?
  - Salary slips for workers with the initials HTK and AW for the period March 2023 who receive basic wages above the applicable district minimum wage, namely with an income of IDR 3,500,000 – IDR 5,000,000.
  - FFB Supplier (CV Tani Subur) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to public safety, employment aspects, fulfillment of requirements HSE and positive feedback. The contractor obtained a score of 82 with a note that it was recommended for reuse.
- FFB Supplier (PT Borneo Lancar Abadi):
  - Contract status (*PKWT*) Work Agreement Letter Number 102-BLA-SBY-IV-2023 between the worker with the initials JT and PT Borneo Lancar Abadi dated April 26<sup>th</sup>, 2023. The agreement is valid from April 26<sup>th</sup>, 2023 – April 25<sup>th</sup>, 2024.
  - List of PT Borneo Lancar Abadi employees for the period May 2023 consisting of 57 people.
  - Proof of BPJS Employment payment for the period May 2023 on May 16<sup>th</sup>, 2023.
  - Proof of BPJS Health payment for the period May 2023 on May 9<sup>th</sup>, 2023.
  - Salary slips for workers with the initials RS, NF and AS for the period May 2023 who receive basic wages above the applicable district minimum wage, namely with an income of IDR 3,810,000 – IDR 6,411,127.
  - FFB Supplier (PT Borneo Lancar Abadi) Evaluation Form with assessment criteria for willingness to access operations and information for audit purposes by certification bodies, safety and product delivery are well maintained, vehicle condition is roadworthy and driving in an orderly manner and paying attention to public safety, employment aspects, compliance HSE requirements and positive feedback. The contractor obtained a score of 96 with a note that it was recommended for reuse.

However, the company has not been able to demonstrate:

- Proof of participation and proof of payment for BPJS Employment and BPJS Health for workers with the initials ADR (CPO transport driver) at PT Surya Mentaya Jaya.
- Proof of participation and proof of payment for BPJS Employment and BPJS Health for implementing workers such as PK transport drivers at CV Catur Borneo Abadi.
- Pay slip or proof of payment to workers with the initials ADR (CPO transport driver) at PT Surya Mentaya Jaya.
- Pay slips or proof of payment to implementing workers such as PK transport drivers at CV Catur Borneo Abadi.
- What about pay slips or proof of payment to TBS loading and unloading workers and/or TBS transport drivers at TBS supplier CV Tani Subur?

Based on this description, the non-conformity in this indicator is still not fulfilled.

#### Auditor Verification on September 11<sup>th</sup>, 2023

The company has shown evidence of improvement in the form of:

- Detailed document of BPJS Employment Labor Contributions for the May 2023 reporting period of PT Borneo Lancar Abadi on May 15<sup>th</sup>, 2023. From this document it is known that there are 5 workers who are paid by BPJS Employment.
- Document detailing BPJS Employment Contributions for the May 2023 reporting period CV Catur Borneo Abadi on May 5<sup>th</sup>, 2023. From this document it is known that there are 6 workers who are paid by BPJS Employment.
- CV Langgeng Abadi Workforce List. From the list of workers, it is known that there are 9 CV Langgeng Abadi workers. Apart from that, there is also a BPJS Health Membership Number for each employee.

- Documentary proof of the number of CV Tani Subur employees. From this document it is known that there are 5 employees registered with BPJS Health.

However, the proof of improvement sent by the company was not enough to close the discrepancy. There is evidence that the company needs to show and prove, such as::

- Proof of participation and total number of workers paid by BPJS Employment for the period May 2023 for PT Surya Mentaya Jaya Contractors.
- Proof of participation and total number of workers paid by BPJS Health for the period June 2023 for PT Surya Mentaya Jaya Contractors.
- Proof of participation and total number of workers paid by BPJS Employment for the period May 2023 for the CV Catur Borneo Abadi Contractor. This is so that it can also be shown that the updated list of CV Catur Borneo Abadi employees is due to differences in the number of workers. In the previous proof of improvement, it was explained by 3 people, but in the document, details of BPJS Employment Contributions for the May 2023 reporting period, CV Catur Borneo Abadi was explained by 6 people.

**Auditee explanation:**

The list of employees listed in the previous document is only employees in the office, the other 3 are employees on duty in the field.

- Proof of BPJS Health CV Catur Borneo Abadi payment.
- Proof of BPJS Health payment for the period June 2023 CV Langgeng Abadi because the documents provided are only a list of workers and BPJS Health membership numbers.
- Justification payment of salaries for workers with the initials YK (CV Langgeng Abadi) for the period February 2023 is below the applicable UMK.
- Proof of participation and total number of workers paid by BPJS Employment for the period May 2023 for CV Sinar Jaya Borneo.
- Proof of participation and total number of workers paid by BPJS Health for the period May 2023 for CV Sinar Jaya Borneo.
- Proof of participation and total number of workers paid by BPJS Health for CV Tani Subur Contractor. This is so that the updated CV Tani Subur employee list can also be shown because there is a difference in the number of workers. In the previous proof of improvement, it was explained that there were 3 people, but in the documentary evidence of the number of CV Tani Subur workers, it is known that there are 5 employees registered with BPJS Health.

**Auditee explanation:**

From the BPJS Health details list, there are 2 names, namely ES and RZL, who are the owners of CV Tani Subur, so there are 3 CV Tani Subur workers.

- Proof of CV Tani Subur BPJS Employment payment.

**Auditee explanation:**

CV Tani Subur had not previously registered its employees with BPJS Employment, but had registered its employees with BPJS Health. As a follow-up to this, PT Windu Nabatindo Lestari provided a letter of warning and recommendation to CV Tani Subur so that its employees should be registered with BPJS Employment. Then, as of September 2023 CV Tani Subur has included 3 of its workers in the BPJS Employment program.

- Proof of participation and total number of workers paid by BPJS Employment for the period May 2023 for PT Borneo Lancar Abadi. This is so that the updated list of PT Borneo Lancar Abadi employees can also be shown because there is a difference in the number of workers in the previous proof of improvement, it was explained as 57 people, but in the document Details of BPJS Employment Contributions for the May 2023 reporting period of PT Borneo Lancar Abadi on May 15<sup>th</sup>, 2023, it is known that there are 5 workers.

**Auditee explanation:**

The list of employees registered and paid by BPJS Employment is 37 workers. The detailed document provided is only the last page (serially numbered there are 37 workers). There are 20 employees who have not registered with BPJS Employment because they are contract or temporary workers. The following is a notification letter from PT Borneo Lancar Abadi.

- Proof of participation and total number of workers paid by BPJS Health for the period May 2023 for PT Borneo Lancar Abadi Contractor.



**Auditee explanation:**

There are 29 employees out of 57 registered with BPJS Health. There are 28 employees who have not registered, 20 contract or temporary employees and 8 permanent employees due to registration problems and will still be processed for registration.

- Evidence of improvements carried out as corrective actions that have been determined.

Based on the explanation above, the non-conformity in this indicator is stated to have not been fulfilled.

**Auditor Verification on September 13<sup>th</sup>, 2023**

The company has shown evidence of improvement in the form of:

- Receipt of additional 9 BPJS Employment participants PT Surya Mentaya Jaya on August 23<sup>rd</sup>, 2023.
- Proof of BPJS Health payment for the period June 2023 CV Langgeng Abadi on June 2<sup>nd</sup>, 2023
- Minutes of salary shortage Number 015/Int/IX/2023 which explains that the worker with the initials YK received a salary below the applicable district minimum wage because the worker took a personal permit for 5 HKE and thus received a wage reduction of IDR 750,000.
- Salary slip for workers with the initials ADR (CPO transport driver) at PT Surya Mentaya Jaya for the period March 2023 amounting to IDR 6,900,000

The repair documents shown by the company are not enough to cover the discrepancies. Please pay attention again to the results of the auditor's comments/verification according to the description in the previous proof of improvement verification (11 September 2023).

From the explanation above, it can be concluded that the nono-conformity in this indicator have not been fulfilled.

**Auditor Verification on September 14<sup>th</sup>, 2023**

The company has shown evidence of improvement in the form of:

- Justification of differences in the number of workers and details of the updated list of employees paid by BPJS Employment at CV Catur Borneo Abadi for the period May 2023. It is known that the number of workers at CV Catur Borneo Abadi is 6 people.
- Proof of participation in the form of BPJS Health Card numbers from 6 workers and proof of BPJS Health payment on June 16<sup>th</sup>, 2023 at CV Catur Borneo Abadi.
- Proof of participation and total number of workers paid by BPJS Employment for the period May 2023 for CV Sinar Jaya Borneo. It is known that the number of workers paid into the BPJS Employment program is in accordance with the list of employees shown in the previous proof of improvement (dated 14 August 2023), namely 5 workers.
- Proof of participation and total number of workers paid by BPJS Health for the period May 2023 for CV Sinar Jaya Borneo. It is known that the number of workers paid into the BPJS Health program is in accordance with the list of employees shown in the previous proof of improvement (dated 14 August 2023), namely 5 workers.
- Justification of the difference in the number of workers and details of the updated list of employees paid by BPJS Health at CV Tani Subur for the period August 2023. It is known that the number of workers at CV Tani Subur is only 3 people, while the other 2 people are company owners.
- Justification regarding the failure to register CV Tani Subur workers into the BPJS Employment program. The company issued a Warning Letter Number 01/09/2023 which explained that CV Tani Subur was recommended to register its workers in the BPJS Employment program based on applicable laws and regulations. Then, the company also showed proof of improvement that the three workers at CV Tani Subur had been included in the BPJS Employment program. Proof of participation was also shown in the form of a BPJS card and proof of payment on September 13<sup>th</sup>, 2023.
- Justification of differences in the number of workers and details of the updated list of employees paid by BPJS Employment at PT Borneo Lancar Abadi for the period May 2023. It is known that the number of workers at PT Borneo Lancar Abadi is 57 workers. The company also showed a Notification Letter dated 13 September 2023 from PT Borneo Lancar Abadi which explained that there were 20 contract/non-permanent workers in the May 2023 period so that only 37 workers were included in the BPJS Employment program..

**Auditor's comment:** Why are 20 contract/non-permanent workers not registered in the BPJS Employment program?



- Justification of differences in the number of workers and details of the updated list of employees paid by BPJS Health at PT Borneo Lancar Abadi for the period May 2023. It is known that there are 29 out of 57 workers who have been registered in the BPJS Health program. Meanwhile, 28 other workers have not yet been registered, of which 20 workers are contract/non-permanent workers and 8 other permanent workers are in the process of registering for BPJS Health.

**Auditor's comment:** Why are 20 contract/non-permanent workers not registered in the BPJS Health program?

Based on the justification and evidence shown, it can be concluded that the fulfillment of repairs to the PK transport contractor (CV Catur Borneo Abadi) and TBS suppliers (CV Langgeng Abadi, CV Sinar Jaya Borneo, CV Tani Subur and PT Borneo Lancar Abadi) is acceptable. However, there is still evidence of improvement that the company needs to show, namely as follows:

- Proof of participation and total number of workers paid by BPJS Employment and BPJS Health for the period May 2023 for PT Surya Mentaya Jaya Contractors. In the previous proof of improvement (dated 14 August 2023), the list of workers shown at PT Surya Mentaya Jaya was the ranks of staff starting from the Director to the Field Coordinator. Please also show the updated PT Surya Mentaya Jaya employee data including field workers (for example CPO transport drivers, etc.) along with proof of payment for BPJS Employment and BPJS Health.
- Why were 20 contract/non-permanent workers at PT Borneo Lancar Abadi not registered in the BPJS Employment and BPJS Health programs? How do you claim workers' medical expenses if the worker is sick or has a work accident?
- Evidence of improvements carried out as corrective actions that have been determined.

**Auditor's comment:** How are the mechanisms and time intervals for internal audits and contractor evaluations carried out? Are there the latest internal audit/contractor evaluation results as of September 2023?

Based on this description, the non-conformity in this indicator is still not fulfilled.

#### **Auditor Verification on September 15<sup>th</sup>, 2023**

The company has shown evidence of improvement in the form of:

- Receipt of the addition of 9 BPJS Employment participants from PT Surya Mentaya Jaya which was approved by the Manpower and Transmigration Service of East Kotawaringin Regency on August 23<sup>rd</sup>, 2023. Management representatives stated that these workers were field workers (CPO transport drivers) at PT Surya Mentaya Jaya who just registered in the BPJS Employment program. The registered workers have the initials SGNT, WH, ALNR, HRS, SPJN, AS, ZNDN, MJBS and AAI.
- Based on evidence of previous repairs (dated 14 August 2023), it is known that PT Surya Mentaya Jaya has a worker with the initials ADR (CPO transport driver). Then, the company showed proof of work certificate number 048/SK/SMJ-IX/2023 dated September 15<sup>th</sup>, 2023, which stated that as of February 3<sup>rd</sup>, 2023, the worker had no longer worked at PT Surya Mentaya Jaya because the person concerned has committed the act of stealing CPO so he is not registered in the BPJS Employment/BPJS Health program..
- Statement letter from PT Borneo Lancar Abadi on September 15<sup>th</sup>, 2023, explaining that PT BLA has not registered 20 contract/non-permanent workers into the BPJS Employment and BPJS Health programs because the employees' work periods are only temporary and for a short time. Then, PT BLA has a commitment to be responsible for medical costs if there are workers who are sick/work accidents for the 20 contract workers.
- Management representatives stated that evaluations of legal compliance to third parties are carried out once a year and to date the latest contractor evaluation has not been carried out because in 2023 a contractor evaluation will already be carried out, namely on May 1<sup>st</sup>, 2023. The company also shows evidence of contractor evaluations carried out on contractors CPO (PT Surya Mentaya Jaya), PK contractor (CV Catur Borneo Abadi) and TBS suppliers (CV Langgeng Abadi, CV Sinar Jaya Borneo, CV Tani Subur and PT Borneo Lancar Abadi).
- Documents proving membership in BPJS Employment and BPJS Health for employees of PT Surya Mentaya Jaya. Of the 9 employees, all employees have registered with BPJS Employment. Meanwhile, 6 employees have registered with the BPJS Health program and 3 employees have not registered due to problems with their NIK.

Based on the explanation above, the non-conformity in this indicator is declared to have been fulfilled and will be observed again in relation to legal compliance with third parties (contractors and FFB suppliers) in the next assessment.

**Verified by** : Sabiah Dhiningtyas Utami/Rahmat Abdiansyah

NCR No.	: 2022.2	Issued by	: Yudhi Yuniarto T
Date Issued	: 27 August 2022	Time Limit	: 26 November 2022
NC Grade	: Major	Date of Closing	: 26 November 2022
Standard Ref. & Requirement	3.7.1 A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and outgrowers taking into account gender- specific needs, and which covers applicable aspects of P&C Principles, in a form they understand and includes assessment of the training		
Evidence observed (filled by auditor): Based on the results of document review, field visits and interviews with management, information was obtained that there were several workers who had not received training in accordance with their duties and obligations, for example: <ol style="list-style-type: none"><li>1. HCV monitoring officers at Pundu Nabatindo Estate have not received training in accordance with their duties and obligations. This is evidenced by the results of field visits and interviews at the Pundu Nabatindo Estate, where information is obtained that the HCV monitoring officer has not been able to explain the types of flora and fauna that have been monitored and their protection status. Furthermore, based on the results of the review of the HCV management implementation document and the monitoring plan for 2022, information was obtained that the HCV monitoring officers had not received training related to HCV.</li><li>2. There are still some welder operators at Pundu Nabatindo Mill who have not received mandatory training, this is evidenced by field visits there are employees with the initials RB doing welding activities at the Pundu Mill slamming station, but do not have an SIO welder license.</li><li>3. There is a shortage of aircraft and power and production operators who have SIO, where the needs according to the number of tools they have are 2 class 2 operators and 2 class 1 operators (The engine house has 2 turbine units with a capacity of 1600 KW and 2000 KW, 2 generator units of capacity 500 KVA). Meanwhile, only 1 class operator has a generator set.</li></ol>			
Non-Conformance Description (filled by auditor): Based on the explanation above, the certificate holder has not been able to show evidence that there are several jobs carried out by workers who have not received mandatory training in accordance with the required requirements.			
Root Cause Analysis (filled by organization audited): <ul style="list-style-type: none"><li>• Not all training obligations have been monitored for completeness and validity period.</li><li>• Lack of supervisory attention allows employees without competence to do risky work.</li></ul>			
Correction (filled by organization audited): <ul style="list-style-type: none"><li>• Registering employees with jobs that require special competence and licenses to the required training (already available).</li><li>• Create a training program for employees who do not have the required competencies (already exist).</li><li>• Socialization of only competent welder employees who are allowed to work in welding (Rohian, Sufriyadi via BA attached).</li></ul>			
Corrective Action (filled by organization audited): <ul style="list-style-type: none"><li>• Make identification of all training and competency obligations (attached).</li><li>• Make monitoring of the validity period of all competency and license obligations (attached).</li><li>• The addition of 2 employees to be programmed to take part in welder training to meet the needs of work within the PNBM scope (Pariyadi, Fahrur, scheduled for 2023, attached).</li></ul>			

- Determination of a reprimand letter if an employee works at high risk without a permit (IOM 002/IOM/PNBM/VIII/2022).

Assessor Evaluation and Conclusion (filled by auditor):

**Auditor Verification November 9, 2022**

Companies can show evidences of training realization in the form of:

- Statement letter from Patra Jaya Consultant No. 1271/SKT/PJU/X/2022 dated October 12, 2022 which explains that the engine room operators have participated in the Development and Certification of First Mover Operators 1 (STEAM TURBINE) - KEMNAKER RI., on 3 – 7 October 2022 which was carried out offline and was declared PASSED. Regarding Certificates and Licenses, it is currently still being processed at the RI MINISTRY OF MANPOWER.
- Internal Office Memo No No : 063/MEMO-BGA/CS-CSV/XI/2022 dated 01 November 2022 regarding the Invitation to Training for Management and Monitoring of HCV Areas in the Mentaya Region and Pundu Region which is planned to be held on 9 and 10 November 2022.
- Regarding the proof of improvement submitted for non-compliance on this indicator that has not been fulfilled, the company needs to complete it with:
- Clarification / proof of improvement regarding welder operators at Pundu Nabatindo Mill who have not received mandatory training.
- Evidence of actual HCV management and monitoring training.
- Make monitoring of the validity period of all competency and license obligations.
- Dissemination of work permit procedures for high risk work (one of which is welding) to staff and employees.

**Auditor Verification November 13, 2022**

Companies can show evidences of improvement in the form of minutes of implementation of HCV training activities on November 9 – 10 2022, in the documents sent explaining the list of training participants, training materials and documentation of the training activities.

Regarding the proof of improvement submitted for non-compliance on this indicator that has not been fulfilled, the company needs to complete it with:

- Clarification / proof of improvement regarding welder operators at Pundu Nabatindo Mill who have not received mandatory training.
- Documentation of monitoring the validity period of all competency and license obligations.
- Dissemination of work permit procedures for high risk work (one of which is welding) to staff and employees.

**Auditor Verification November 26, 2022**

Companies can show additional evidences, such as:

- Document on Minutes of Dissemination of Work Permit Procedures which was carried out on September 5, 2022. The document explains permits for potentially hazardous work procedures to all PNBM staff and employees. The work permits in question are welding work permits, work permits at height, closed space entry permits, permits for the use of hazardous chemicals and Lock Out Take Out. The company also shows documents that prove the implementation of potentially hazardous work permits, such as permits to use hazardous chemicals, permits to lock out, permits to enter closed spaces, permits to work at height, and permits for welding/cutting.
- Document Internal Office Memo No.002/IOM/PNBM/VIII/2022, concerning Provisions for Conducting Welding which was issued on 1 September 2022 and made by the PNBM Mill Manager. The document explains the provisions that those who are entitled to do welding are employees who have an SIO. If an employee is found doing welding but does not have an SIO, he will be given a sanction through a Warning Letter.
- Minutes of the socialization and implementation of the Welding IOM, issued on September 1, 2022 and known by the PNBM Mill Manager.
- Documents for monitoring the fulfillment of the mandatory competence of PT Windu Nabatindo Lestari, Pundu Nabatindo Mill, which are known by the PNBM Mill Manager. The document describes the type and location of work, training/competency requirements, regulations, certificate holder name, SIO No, validity period, vendor name, and description.
- Documents for Identification of Training Needs and Competency for PT Windu Nabatindo Lestari, Pundu Nabatindo

<p>Mill. The identified needs consist of: class 1 steam aircraft operator (3 operators), Air Pollution Control Operator (1 operator), person in charge of Air Pollution Control (1 person), class 1 diesel engine operator (2 operators), operator and person in charge of Air Pollution Control. Water Pollution (1 person each), operator and person in charge of B3 Waste Pollution Control (1 person each), wheel loader lift aircraft operator (1 operator), class II welder (1 operator), electrician (1 operator), First Aid officer (1 employee).</p> <ul style="list-style-type: none"> <li>Compulsory competency fulfillment program documents for PT Windu Nabatindo Lestari, Pundu Nabatindo Mill which are known by the Mill Manager of PBM. The document explains that there are several plans to submit training to be held in March 2023, including class 1 steam aircraft operators and production personnel (1 operator), steam aircraft operators (3 operators), class 1 diesel engine operators (1 operator), person in charge of B3 Pollution Control (1 operator), wheel loader lift plane operator (1 operator), class III welder (2 operators), electrician (1 operator) and first aid officer (1 person).</li> </ul> <p>Regarding the proof of improvement submitted, this discrepancy is stated to have been fulfilled and will be re-verified at the time of the next assessment.</p> <p>Follow up on next audit [ASA-1.4 Assessment] <i>(filled by auditor):</i></p> <p>Based on document verification and interviews, it is known that the company already has a training program and identification of training for employees. In addition, the results of interviews with HCV officers found that officers had understood their duties and responsibilities. Welder operators already have welder certificates, power and production aircraft operators also have certificates.</p> <p>Verified by : Moh Arif Yusni / Harry Wahyudi</p>	
--	--

NCR No.	:	2022.3	Issued by	:	Yudhi Yuniarto T
Date Issued	:	27 August 2022	Time Limit	:	26 November 2022
NC Grade	:	Major	Date of Closing	:	9 November 2022
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, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.			
Evidence observed (filled by auditor): The company shows the record of PPE procedure No.BGA-SOP-CCS-1106. 1-R0, which includes: <ul style="list-style-type: none"><li>• Procurement of new PPE, one of which states that the amount of stock/reserve of PPE in the warehouse should not be less than 10% of the existing need.</li><li>• Delivery of PPE to employees, one of which states that if a new PPE is replaced, the old PPE must be submitted and then the damaged PPE is destroyed and accompanied by a destruction report.</li><li>• Replacement of damaged or lost PPE, one of which states that if the employee's PPE is deer, the employee has the right to get new PPE, by submitting the damaged PPE and filling in the handover proof form (except earplugs).</li></ul> The company has conducted socialization related to the policy on the use of PPE, one of which was at PNBE in April 2022 to 20 chemist workers, 20 fertilizer workers, and 110 harvest workers. The company also shows BA handover of PPE, namely: <ul style="list-style-type: none"><li>• PNBE, distributed in June 2022 to 33 workers.</li><li>• PNBM, distribution will be made in June 2022 to 122 Mill workers.</li></ul> Based on field observations and worker interviews, there are still workers who do not use appropriate PPE, namely in PNBM: 2 workers at the sorting station using damaged safety shoes, 1 worker at the sterilizer station using damaged					

safety shoes, 1 worker at the clarification station using damaged safety shoes, workers in the waste pool do not use gloves, life jackets and masks.

Based on observations in the material warehouse (PNBE and Central) there was no stock of PPE, especially boots and safety shoes.

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

Based on this evidence, it is concluded that there is not enough evidence that the use of PPE, including replacement of damaged PPE, is in accordance with the existing procedures.

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

Monitoring of the return of used PPE has not been implemented.

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

- Collecting Used PPE.
- Monitoring the return of damaged PPE.

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

Affirmation of the obligation to collect used PPE as a condition for exchanging periodic and non-periodic PPE (minutes are available for handing over old PPE as well as outreach to employees).

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

Auditor Verification November 9, 2022

Evidence of improvement can be shown in the form of:

- Minutes of procedure for replacing damaged PPE on 01 September 2022 and 31 August 2022.
- Monitoring form / data on the use of PPE for damaged employees to be returned and for PPE replacement.
- Minutes of socialization of PPE replacement for employees on August 29, 2022.

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

**Follow up on next audit [ASA-1.4 Assessment] (filled by auditor):**

The results of field observations at PNBM and PNBE show that workers have used PPE according to their work risks.

Verified by : Moh Arif Yusni

NCR No.	:	2022.4	Issued by	:	Radytio Puspanjana
Date Issued	:	27 August 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	30 November 2022
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): Regarding the Waste Management Procedure, it is regulated in SOP WNL-SUST-SOP-14 dated July 19, 2021 which explains that hazardous waste generated by operational activities such as used packaging is contaminated with hazardous such as used oil drums, used paint buckets, used buckets, used containers, buckets used grease and used chemical sacks for water purification are stored in the hazardous Waste Temporary Storage Area.  Related to this, based on the results of the field visit during the audit at the Pundu Nabatindo Mill, it was found that hazardous waste was located not in a licensed place, for example, there was hazardous waste from used paint cans, used packaging for water purification chemicals, used filters in scrap metal storage areas (PNBM).					



<b>Non-Conformance Description (filled by auditor):</b> 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 workers and managers.	
<b>Root Cause Analysis (filled by organization audited):</b> Not all employees understand the management of hazardous toxic and waste.	
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Submit hazardous and toxic waste that has not been managed according to procedures to the for hazardous and toxic waste temporary.</li> <li>- Conduct training activities for employees.</li> <li>- Monitoring of incoming and outgoing waste in the logbook of hazardous and toxic waste.</li> </ul>	
<b>Corrective Action (filled by organization audited):</b> Provide training on hazardous and toxic waste to technical employees regarding hazardous and toxic materials as well as hazardous and toxic waste.	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor Verification On November 9<sup>th</sup>, 2022</b> proof of improvement can be shown in the form of handover of hazardous and toxic waste packaging to EHS to be placed according to the type and criteria. Regarding the proof of improvement submitted, this discrepancy is declared unfulfilled, the audit unit needs to complete it: <ul style="list-style-type: none"> <li>- Evidence of hazardous and toxic waste training for employees according to the root of the problem.</li> <li>- Documentation of hazardous and toxic waste recording in the hazardous and toxic materials log book.</li> </ul> <b>Auditor Verification on November 30, 2022</b> Evidence of improvement can be shown in the form of: <ul style="list-style-type: none"> <li>- Documentation of minutes of placement of hazardous and toxic waste packaging found in the field to be transferred to hazardous and toxic waste temporary.</li> <li>- Recording documentation in hazardous and toxic waste temporary logbook.</li> <li>- Minutes of socialization and application of sanctions regarding the placement of hazardous and toxic waste packaging.</li> </ul> Regarding the proof of improvement submitted, this discrepancy is stated to have been fulfilled and will be verified in the next assessment.	
<b>Follow up on next audit [ASA-1.4 Assessment] (filled by auditor):</b> Based on the results of field visits to the Estates and Factories, it is known that there is no inappropriate hazardous waste and that the hazardous waste management is in accordance with the existing SOPs.	
<b>Verified by</b>	<b>:</b> Moh Arif Yusni

NCR No.	: 2022.5	Issued by	: Radytio Puspanjana
Date Issued	: 27 August 2022	Time Limit	: Next Surveillance
NC Grade	: Major	Date of Closing	: 17 June 2023



<b>Standard Ref. &amp; Requirement</b>	<b>: 7.12.8</b> Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.
<p><b>Evidence observed (filled by auditor):</b></p> <p>Based on the results of document verification, it is known that the company cleared new land after 1 November 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012.</p> <p>The company cleared the land without prior HCV assessment so that remediation and compensation procedures apply. The company has carried out an HCV assessment for the PT WNL area with an area according to the total HGU, namely 17,039.05 Ha which was carried out in September - October 2010 with the final document year 2012.</p> <p>On December 15, 2015 the company conducted a LUCA study with an area of 11,550 Ha. Based on the results of the LUCA document review, it is known that the company cleared land in 2005-2010 with a total area of 740 Ha of Raw Liability and 48 Ha of Conservation Liability. The LUCA study was carried out for the scope of PT WNL and not for each unit of certification within it (KAGM and PNBK). The company cannot show the division of area for each unit, so this indicator will apply to all units within the scope of LUCA, namely PT WNL. The company has also sent Liability Disclosure and LUCA for the entire PT WNL to the RSPO Compensation Plan on April 25 2016 and has PASS status or acceptable.</p> <p>The company has also submitted the RAC-Plan to the RSPO but until the time of recertification there was not enough evidence that the RAC-Plan for PT GKG had been approved by the RSPO. Furthermore, there is also evidence of a response from the RSPO from aimy.nadiyah@rspo.org on 23 October 2019 regarding the status of Bumitama Agri Ltd's RAC-Plan, stating that the company can continue the certification process with NC major 7.3.1 OPEN status until the next surveillance audit.</p> <p>There is also an email dated 14 November 2019 from Khing Su Li khing.suli@rspo.org which states RAC-Plan PT. GKG and GKS are still in the review stage. Based on the evidence submitted, it was concluded that NCR No. 2019.05 with a major non-conformance grade could be declared OPEN until the next surveillance audit.</p> <p>Then the company showed evidence of communication between RSPO and BGA via email on 16 July 2020 which explained that RSPO gave conditional approval to BGA regarding PT WNL's RaCP process and will be assessed in the next assessment. PT WNL's RaCP process will be evaluated by RSPO and will take 2-3 weeks.</p> <p>During the onsite audit ASA-4 + Recertification, the company can show evidence of communication between the BGA and the RSPO regarding the completion of the RaCP which is carried out routinely from March to June 2021. The results of the last communication with the RSPO were based on an email from aryo.gustomo@rspo.org on 17 June 2021, which in the email explained about the internal examination and discussion at the RSPO Integrity Unit, decided to provide Conditional Approval with a maximum period of up to 16 December 2021, which is 6 months from the date of the email for Companies under the BGA group to continue the annual surveillance audit to be carried out and allow all ongoing progress of the RaCP process to be completed by the Company as soon as possible.</p> <p>The email also explains that "non-conformances can be submitted by the Certification Body to the Certification Unit for relevant specific indicators of the RSPO P&amp;C standard. And this must be in line with the Conditional Agreement", provided that the Certification Unit MUST proactively provide timely responses to Compensation Panel reviews, where if there is any future clarification, it should not be delayed more than 2 months from the last review/comment received from RSPO Secretariat.</p> <p>The company has sent proof of improvement in the form of communication between BGA and RSPO regarding Compensation Plan part 2 (Closing NC for ASA-4 + Recertification onsite audit activities), with the following information:</p> <ul style="list-style-type: none"> <li>On 20 August 2021, BGA has submitted CP (2) to RSPO for review by evaluators 2.</li> <li>On 25 August 2021, RSPO Parties have submitted a preliminary review of CP (2) to BGA to indicate their response</li> </ul>	

to the previous review.

- On 25 August 2021, BGA has responded to an email from RSPO informing them that they will review the revised results provided by the previous RSPO. However, the company has not been able to show that the Compensation Plan process for BGA on behalf of PT WNL Unit Katari POM has been accepted by the RSPO and can proceed to the next stage, based on this, this indicator is declared non-conforming. OPEN until next surveillance.

During ASA 1.1, the company again demonstrated the Compensation Plan process for BGA on behalf of PT WNL, namely according to the email from the RSPO dated 10 February 2022 which explained that a certified management unit would enable it to complete the RaCP process and continue the annual monitoring assessment (conditional approval). This conditional approval will only be valid for 6 months from the time the email was sent (10 February 2022).

Based on the verification results of the RSPO announcements on 08 September 2021 regarding Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard and supply base data and hectare statement for 2022 PT WNL's RaCP process is included in scenario 1 so that the process of surveillance activities can be continued.

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

Until the surveillance-1.1 audit activity is carried out, the Company has not been able to demonstrate that the HCV compensation Plan (RaCP) has been received by RSPO but in accordance with the RSPO announcements on 08 September 2021 concerning Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard surveillance activities can be continued with published discrepancies in indicator 7.12.8 and can be open until the next surveillance activity.

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

The long review process from the HCV Compensation Panel related to the approval of the HCV Compensation Panel of PT WNL.

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

Provide evidence of records/documents related to ratification of RaCP PT. WNL by the RSPO Secretariat.

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

- Conduct intense communication with the RSPO Secretariat so that the RaCP is approved by the RSPO Compensation Panel.
- Evidence of the recording of the communication process regarding the RaCP of PT. WNL between the Corporate Sustainability Specialist (Mr. Martin Mach) and the attached RSPO Secretariat.

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

##### Verifikasi pada Audit ASA 1.4

Companies can show proof of approval of RaCP Plan Bumita from RSPO ([rspocompensation@rspo.org](mailto:rspocompensation@rspo.org)) on 9 January 2023 which explains that the RaCP Process for Bumitama has been completed and can continue with certification. The details of the company's RaCP are as follows:

<b>Type of compensation</b>	<b>Hectare to hectare-</b> The compensation plan for the FCL identified across 17 management units proposes compensation through <b>ex-situ</b> management of co-managed social forestry areas allocated to 2 distinctive village management units.
<b>Location(s) of the project</b>	Hutan Desa Belaban Tujuh – desa Sungai Melayu, Hutan Desa Gunung Tarak – desa Simpang Tiga Sebelangaan
<b>Expected compensation area</b>	7,708 hectares (6,881.86 ha is for this batch and <b>another 824.38 ha compensation area to be included later for PT GHL and PT TTL extension</b> )

In regards to the total expectation of the compensation area will be 7,708 ha, however the total of collective for this compensation plan Fcl is only 6,881.86 ha, therefore just to inform that the company planning to use this another 824.38 ha compensation area is reserved is to be adopted later for PT GHL and PT TTL extension which also under Bumitama. Hope this explained the blue quote in above summary. Perusahaan juga dapat menunjukkan bukti bahwa PT WNL termasuk kedalam 17 Management unit yang dimaksud pada RaCP.

Based on this evidence, the discrepancies in this indicator are declared to have been fulfilled.

Verified by	:	Rahmat Abdiansyah
-------------	---	-------------------

**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA-1.4 Assessment**

NCR No.	: 2023.01	Issued by	: Sentot Adi Subandono
Date Issued	: 17 June 2023	Time Limit	: 15 September 2023
NC Grade	: Major	Date of Closing	: July 10, 2023
Standard Ref. & Requirement	: 3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Evidence observed (filled by auditor):			
<ul style="list-style-type: none"><li>• The company already has several OSH plans, one of which is listed in PT WNL's SOP with code WNL-SUST-SOP-25 ratified by RH concerning hazardous and toxic materials spills and Leaks Management revision 01 dated 16 July 2021, which regulates among others the storage of hazardous and toxic materials as well as hazardous toxic and waste packaging which required in the operating unit, follow the SOP for handling chemicals and SOP for handling hazardous toxic and waste.</li><li>• SOP for Chemical Management with the code WNL-SUST-SOP-13 Revision 02 was ratified on 09 June 2022 governing:<ul style="list-style-type: none"><li>1. MSDS in Indonesian</li><li>2. Installing the hazardous and toxic materials symbol</li><li>3. Places where chemicals are stored are marked with identification signs indicating restrictions and potential hazards; the floor is waterproof, non-slip, no cracks, and forms an embankment retrieval area; designed to maintain 110% of largest container / 50% of inventory (depending on which is largest); and equipped with an MSDS that is placed adjacent to the material.</li><li>4. Provisions for storage, if there is hazardous and toxic materials that is not used up in 1 use, it must be self-isolated; only a small inventory in the process area.</li><li>5. Spill collection and spill absorbent facilities must be provided.</li></ul></li></ul>			
The results of field observations in PNBM are known			
<ul style="list-style-type: none"><li>• There are 2 diesel tanks with a capacity of 512 liters each in the engine room area, which are not yet equipped with spill containment facilities, the hazardous and toxic materials symbol and MSDS.</li><li>• There are several CaCO3 sacks in the kernel area, which have not been equipped with the hazardous and toxic materials and MSDS symbols, with the floor not tightly closed which has the potential for spills to occur.</li></ul>			
The company shows evidence of improvement in PNBM, in the form of:			
<ul style="list-style-type: none"><li>• Creation of spill storage facilities for tanks, and equipped with MSDS and hazardous and toxic materials symbols, as shown in the Minutes of installation of MSDS, hazardous and toxic materials symbols, and storage tanks dated 16 June 2023.</li><li>• Replacement of the floor where Calcium Carbonat is in the Claybath kernel area and has been equipped with MSDS and symbol of hazardous and toxic materials, as shown in the Minutes of Installation of MSDS, symbol hazardous and toxic materials, and Calcium Carbonate container dated 16 June 2023.</li></ul>			
However, these improvements have not identified the root of the problem and corrective action so that this incident does not recur.			
Non-Conformance Description (filled by auditor):			
The company has not been able to show evidence of the implementation and monitoring of the OSH plan to deal with OSH risks to people according to the SOP they already have.			
Root Cause Analysis (filled by organization audited):			

Lack of control from the EHS assistant in ensuring the implementation of the K3 plan is in accordance with the procedures owned.

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

1. Fulfil the implementation of applicable K3 procedures including:
  - a. Provide spill storage facilities for diesel fuel tanks in the engine room station, install MSDS in Indonesian and complete the B3 symbol according to the B3 stored.
  - b. Improvement of floor facilities for laying CaCO<sub>3</sub> in the kernel area to become a permanent floor and equipped with spill prevention embankments, MSDS in Indonesian language and the B3 symbol.
2. Identify chemical storage locations at the factory location.
3. Make a schedule and carry out inspections on the implementation of applicable procedures.

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

1. Carry out inspections according to schedule.
2. Regular internal audits.

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

**Auditor Verification July 10, 2023**

The company has demonstrated acceptable root cause analysis, corrections, and corrective actions. The company also shows evidence of improvements as follows:

- Identification of B3 in PNB.
- Minutes of the installation of the MSDS, B3 symbol, checklist and storage tank on June 26, 2023, in the daily diesel generator tank.
- Minutes of the installation of MSDS, B3 code and Calcium Carbonate containers in Claybath on June 26, 2023.
- B3 storage location minutes dated June 26, 2023.
- B3 inspection schedule.

Based on the evidence submitted, the nonconformity is declared to have been met and will be re-observed in the next audit.

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

Verified by : Sentot Adi Subandono

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
-	-	-

**3.4.4. Noteworthy Positive Components**

No	Description
1	Good cooperation in providing information and audit evidence
2	The company's commitment to continue to apply the principles of sustainable palm oil
3	The company consistently provides vitamins once a month as a preventive measure for workers' health
4	The company no longer uses pesticides with the active ingredient Paraquat
5	Has received PROPERNAS BLUE for the 2021-2022 period



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



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Environmental Agency of Kotawaringin Timur Regency. June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• The certification unit has a Temporary Hazardous Waste Storage and have been approved by Kotawaringin Timur Regency.</li> <li>• Hazardous Waste management activities carried out by storing hazardous waste in licensed hazardous waste storage and transported have permission by KLH. Quarterly management reporting to relevant agencies.</li> <li>• The certification unit has POME disposal permit to surface water.</li> <li>• The certification unit has tested the quality of mill wastewater per month and reported the results of testing to Environmental Agency Kotawaringin Timur Regency per quarter.</li> <li>• The certification unit has conducted POME quality testing per Quarterly and reports the results of testing to Environmental Agency Kotawaringin Timur Regency.</li> <li>• The certification unit has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency Kotawaringin Timur Regency per semester.</li> <li>• The certification unit has reported Hazardous waste (balance and manifest) management to Environmental Agency Kotawaringin Timur Regency per quarter.</li> <li>• The certification unit has sent the <i>RKLRPL</i> implementation report to Environmental Agency of Kotawaringin Regency periodically.</li> <li>• There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management operational activity.</li> </ul>	<p>Based on the interview with The Environmental Agency, there is no environmental issue arise and confirmed by field observation.</p>
<p>Gender Committee (PBNM and PNBE unit) June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• No sexual harassment reports in 2022 to 2023.</li> <li>• There has been socialization regarding the rights of women workers, including menstrual leave, the right to breastfeed children at work, and pregnancy check-ups.</li> <li>• There is no discrimination in employment opportunities and promotion opportunities for female workers</li> <li>• The gender committee routinely identifies pregnant and lactating women, to ensure that female workers can work properly.</li> <li>• Regularly conduct immunization once a month.</li> <li>• Visit and monitor the daycare once a week.</li> </ul>	<p>In general, there are no negative issues that need further clarification</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Village Head of Pantai Harapan – Pundu Estate area June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Participatory approach in CSR program is conducted in some villages, other is still in progress.</li> <li>• No environmental pollution.</li> <li>• Road blockade issue has been clarified peacefully.</li> </ul>	<p>In general, there are no negative issues that need further clarification</p>
<p><i>LKS Bipartit</i> (PT WNL) Member of <i>LKS Bipartit</i> June 13<sup>th</sup>, 2023</p> <p><i>LKS Bipartit</i> have been registered in the Labor Agency Kampar District and there has been no change in management until this audit. Internal meetings or bipartite meetings (between the company and the union) have been documented in the minutes document. The implementation of payroll is in accordance with the determination of the minimum wage in Ketapang Regency in 2022 and 2023. In addition, payment of salaries has been in accordance with the specified time and through the bank transfer. The source also added information that in the last year there were no complaints regarding forced labor, child labor, discrimination, or sexual harassment/violence.</p>	<p>There are no issues that need to be verified further, all information obtained from the results of the interviews has been submitted to the relevant indicators.</p>
<p>Local Village Representative Head of Pundu Village – Pundu Estate area June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Unit of certification absorbs workers from the village.</li> <li>• There are no issues regarding environmental pollution due to unit of certification's operational activities in the last 1 year.</li> <li>• Unit of certification has socialized about protected animals and conservation areas and put-up signs prohibiting hunting certain animals around the plantation area.</li> <li>• Socialization of the prohibition of burning has been carried out for land clearing activities.</li> <li>• Unit of certification has carried out CSR activities in 2022 including in the fields of religion, social, economy, education, infrastructure etc.</li> <li>• There is no communication problem between the village and unit of certification and unit of certification always responds to requests from the village.</li> </ul>	<p>Based on the results of document verification, information from representatives is appropriate, such as unit of certification already has CSR program and realization, socialization, etc.</p>
<p>Former Land Owner of Pundu Village June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Some villagers were former landowners. Where the land is owned and inherited by their parents or grandparents.</li> <li>• Land compensation is carried out through a communication process until an agreement is obtained between the land owner and the unit of certification. The agreement obtained was that for villagers who agreed to join the plasma plantations, the land would be fully managed by the certification unit and the</li> </ul>	<p>Based on result of interview with management and document review, there are no negative issues that need further clarification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>residents would receive the proceeds from the sale of FFB every month. However, residents who are not willing to join the plasma plantations will be compensated for paying compensation for the land. The last land compensation process in 2009 – 2011.</p> <ul style="list-style-type: none"> <li>• There were no negative issues that arose regarding the land compensation process.</li> <li>• Communication between unit of certification and the previous land owner's family went well.</li> </ul>	
<p><b>FFB Supplier (CV Tani Subur)</b> Operational Head June 13<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• The form of cooperation between the contractor and the company is the supply of TBS to the mill units.</li> <li>• The representative of FFB supplier only provides PPE for dump truck drivers and do not provide harvest workers and FFB loading and unloading workers.</li> <li>• The FFB suppliers pay wages to workers in units of output.</li> <li>• While working with the company, the representative of FFB supplier said that he had no complaints.</li> <li>• The cooperation and communication that has been established so far has been quite good.</li> </ul>	<p>Regarding matters that need further verification, this has been conveyed in a related indicator, namely indicator 2.2.2</p>
<p><b>PT Surya Mentaya Jaya</b> Interview with Directors as well as Field Managers</p> <ul style="list-style-type: none"> <li>• Has collaborated with PT WNL in transporting CPO Pundu POM and Katari POM.</li> <li>• The cooperation contract is carried out once a year, the final agreement is in early 2023.</li> <li>• Have 40 transport units and 40 drivers, with ages over 20 years.</li> <li>• The driver's salary is in accordance with the UMK.</li> <li>• There are no negative issues regarding cooperation with the company.</li> </ul>	<p>There are no negative issues related to the company. This has already been discussed in the report.</p>
<p><b>Office of Manpower and Transmigration, Kotawaringin Timur Regency</b></p> <p>Resource person for the Head of Industrial Relations and Worker Welfare June 13, 2023</p> <ul style="list-style-type: none"> <li>• Routine reporting has been done by the company</li> <li>• There have been no employment issues in the last 1 year</li> <li>• There were no other company operational issues that reached the Department</li> <li>• The company's communication with the Office is quite good</li> </ul>	<p>There are no negative issues related to the company. This has already been discussed in the report.</p>
<p><b>Office of Manpower - Labor Inspector of Province Kalimantan Tengah</b> June 13, 2023</p>	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>In general, employees have been registered with BPJS for employment and health.</li> <li>There is an OHS Organization in the company that is still active</li> <li>The POM at PT WNL has routinely conducted periodic inspections.</li> <li>Mandatory reporting has been carried out regularly.</li> </ul>	<p>There are no negative issues related to the company. This has already been discussed in the report.</p>
<p><b>Agriculture Office of Kotawaringin Timur Regency</b></p> <p>Interview with Agricultural Product Marketing Analyst June 13, 2023</p> <ul style="list-style-type: none"> <li>PT WNL has 2 POMs and has a permit</li> <li>PT WNL's permits are quite complete and already have plasma</li> <li>PT WNL already has CSR for the surrounding village community</li> <li>Has used certified seeds</li> <li>Has developed HDI</li> <li>Reports must be sent regularly</li> <li>There were no fires in the last 1 year</li> </ul>	<p>There are no negative issues related to the company. This has already been discussed in the report.</p>
<p><b>Kotawaringin Timur District Land Office</b></p> <p>Interview with Head of Rights Determination and Registration June 15, 2023</p> <ul style="list-style-type: none"> <li>There is no HGU dispute with other permits.</li> <li>Reporting on the utilization of HGU has been carried out.</li> </ul>	<p>There are no negative issues related to the company.</p>
<p><a href="https://polreskotawaringintimur.com/2022/08/26/rapat-lanjutan-sengketa-lahan-sdr-toni-cs-dengan-pt-windu-nabatindo-lestari-wnl-bga-grup/">https://polreskotawaringintimur.com/2022/08/26/rapat-lanjutan-sengketa-lahan-sdr-toni-cs-dengan-pt-windu-nabatindo-lestari-wnl-bga-grup/</a> <a href="https://sampit.id/tindakan-tiga-oknum-lsm-perusahaan-rugi-rp900-juta-akibat-pemortalan-hingga-penghentian-aktivitas-pemanenan/">https://sampit.id/tindakan-tiga-oknum-lsm-perusahaan-rugi-rp900-juta-akibat-pemortalan-hingga-penghentian-aktivitas-pemanenan/</a></p> <p>Summary of news content: The actions of 3 administrators of the NGO "Gerakan Jalan Lurus Arpikal" with the initials T, AH, and MY carried out a blockade and stopped the company's operational activities, as well as stopping the operation of TBS transport trucks at PT WNL. These actions caused losses for PT WNL.</p>	<p>Based on interviews with PT WNL's Public Relations, it is known that the land dispute with Mr. Toni started with a land claim in the area of the Keruing Citra Lestari Cooperative in partnership with PT WNL. A group of residents led by Mr. Toni Cs committed a fatal disturbance of road access, blocked the FFB trucks, and confiscated the keys to the trucks located at PT WNL's HGU location. PT WNL reported Mr Toni Cs in legal proceedings at the East Waringin City Police on August 18, 2022. There was mediation from Cempaga Hulu District on August 24, 2022, but because he was already in legal process at the Polres, PT WNL informed him to wait for the legal process to take effect. The Sampit District Court found Mr Toni, M Yasin and Amer Husen guilty.</p>
<p><a href="#">Pergunakan Jalan Milik Pemerintah di Cempaga Hulu, Komisi IV DPRD Kotim Tegur PT BGA   1tulah News</a></p> <p>Summary of news content: Commission IV of the DPRD of East Kotawaringin Regency went to the field to directly inspect the existence of roads belonging to the regional government which are also used by the activities of oil palm plantation companies.</p>	<p>Based on interviews with PT WNL's Public Relations, it is known that the <math>\pm</math> 1,300 m long road that is declared as public property/owned by Pundu village belongs to PT WNL which has been purchased from the community. Then the Head of Pundu Village asked him to make it a public road in accordance with the Letter of the Head of Pundu Village dated October 11, 2023. Meanwhile, public</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>These people's representatives discovered the use of public roads by PT BGA, one of the palm oil companies in the Cempaga Hulu area. Therefore, these legislators also conveyed a warning to the parties, and asked them to immediately think about a special road for transporting garden produce.</p>	<p>roads that are within the HGU fully belong to PT WNL (through the GRIT process) which are then used by the general public.</p>
<p><a href="#">PT. Windu Nabatindo Lestari, Dilaporkan Kuasa Hukum H. Darmawan Ke Polda Kalteng! (hinews.id)</a></p> <p>Summary of news content: Reporting of PT WNL by Legal Counsel H Darmawan to the Central Kalimantan Regional Police. The reporting was motivated by a land claim made by H Darmawan at the PT WNL and GSM location.</p>	<p>Based on interviews with PT WNL's Public Relations, it is known that the claim of a.n H Darmawan is at the location of PT WNL and PT GSM. H Darmawan filed a civil report at the Sampit District Court on September 27 2022 with PT WNL winning the verdict. H Darmawan made an appeal to the Palangkaraya High Court on November 28, 2022, and a decision was made which upheld the decision of the Sampit District Court. Furthermore, H Darmawan reported the crime to the Central Kalimantan Regional Police, but because it could not be followed up, an SP2HP was issued from the Regional Police to H Darmawan.</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Windu Nabatindo Lestari Management Representative</p>  <p><u>Eric Perdana Andreas</u> Friday, 15 September 2023</p> </div> <div style="text-align: center;"> <p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><u>Rahmat Abdiansyah</u> Friday, 15 September 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	Land Office	Kotawaringin Timur Regency	-	Via Phone	15 June 2023	✓	
2	Agriculture Agency	Kotawaringin Timur Regency	-	Via Phone	13 June 2023	✓	
3	Environmental Agency	Kotawaringin Timur Regency	-	Via Phone	13 June 2023	✓	
4	Office of Manpower and Transmigration, Kotawaringin Timur Regency  Industrial Relations and Worker Welfare	Kotawaringin Timur Regency	-	Via Phone	13 June 2023	✓	
	Office of Manpower - Labor Inspector of Province Kalimantan Tengah	Kotawaringin Timur Regency	-	Via Phone	13 June 2023	✓	
5	KKPA Harapan Abadi	Kotawaringin Timur Regency	-	Interview	13 June 2023	✓	
6	Gender Committee			Direct Interview	13 June 2023	✓	
7	LKS Bipartit	PT WNL	-	Direct Interview	13 June 2023	✓	
8	Local Village Representative: • Head of Pundu Village • Head of Pantai Harapan Village	Pundu Village	-	Direct Interview	13 June 2023	✓	
9	Former Land Owner	Pundu Village	-	Direct Interview	13 June 2023	✓	
11	PT Surya Mentaya Jaya	Kotawaringin Timur Regency	-	Via Phone	15 June 2023	✓	
10	CV Tani Subur (FFB Supplier)	Kotawaringin Timur Regency	-	Via Phone	13 June 2023	✓	
11	Pundu Nabatindo POM: • 3 securities • 2 weighbridge workers • 1 sortation foremen • 4 sortation workers • 1 Kernel Operator • 1 Engine room Operator • 1 Boiler Operator	PT WNL	-	Direct Interview	13 June 2023	✓	
12	Pundu Nabatindo Estate:	PT WNL	-	Direct Interview	13 June 2023	✓	

	<ul style="list-style-type: none"> <li>• 2 daycare workers</li> <li>• 1 fertilizer/BMS foreman</li> <li>• 1 spray/BGS foreman</li> <li>• 2 spray workers</li> <li>• 6 harvest workers</li> <li>• 6 pick-up loose fruit workers</li> <li>• 2 harvest foremen</li> <li>• 1 worker HCV</li> <li>• 1 Worker in LA</li> <li>• 2 Warehouse worker</li> <li>• 2 Workers in CPNT</li> </ul>						
13	WWF	Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Via Email	5 June 2023		✓
14	WALHI	Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Via Email	5 June 2023		✓
15	AMAN	Indonesia	<a href="mailto:rumahaman@aman.or.id">rumahaman@aman.or.id</a>	Via Email	5 June 2023		✓
16	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Via Email	5 June 2023		✓

**Appendix 2. Assessment Program**

DATE	12-17 June 2023	
PLANNED TIME (WIB)	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 12 June 2023</b>		
11.30 – 13.20	Jakarta → Palangkaraya (QG-452)	All Auditor
13.30 – 16.00	From the airport to the audit location	All Auditor
16.00 – 17.00	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	All Auditor, Management Representative PT WNL
<b>Tuesday, 13 June 2023</b>		
08.00 – 09.00	<ul style="list-style-type: none"> <li>Stakeholders consultation to related agencies (Plantation Office, Manpower Office, Land Office and Environment Office)</li> <li>Stakeholder consultation to affected communities surrounding the plantations, indigenous peoples, local communities and previous land owners.</li> <li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any)</li> </ul>	SAS/DIN
09.00 – 12.00	<b>Field Observation to Pundu Estate</b> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	RAB  AFF  RAB
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	<b>Field observation to Pundu POM</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge)</li> <li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li> </ul>	RAB  SAS  DIN
14.00 – 16.30	<ul style="list-style-type: none"> <li>Stakeholders consultation to related agencies (Plantation Office, Manpower Office, Land Office and Environment Office)</li> <li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Smallholders, Third Party Supplier (if any), local NGO (if any)</li> </ul>	AFF

DATE	12-17 June 2023	
PLANNED TIME (WIB)	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.30 – 17.00	Submission of audit progress	All Auditor
Friday, 16 June 2023		
08.00 – 12.00	Document Verification	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Document Verification	All Auditor
16.00 – 17.00	Submission of audit progress	All Auditor
Saturday, 17 June 2023		
06.30 – 07.30	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
07.30 – 09.30	<b>CLOSING MEETING</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion)</li> </ul>	All Auditor
09.30 – 12.00	From the audit location to the airport	All Auditor
13.50 – 15.30	Palangkaraya – Jakarta (QG-453)	All Auditor