

**Roundtable on Sustainable Palm Oil Certification
R S P O****[✓] Surveillance**

Name of Management : Sungai Pinang Palm Oil Mill PT Bina Sains Cemerlang subsidiary of Sime
Organisation : Darby Plantation Berhad
Plantation Name : Sungai Pinang Estate and Bukit Pinang Estate
Location : Village of Sungai Pinang, Sub District of Muara Lakitan, District of Musi
Rawas, Province of Sumatera Selatan, Indonesia
Certificate Code : **MUTU-RSPO/020**
Date of Certificate Issue : 20 October 2022 Date of License Issue : 11 December 2023
Date of Certificate Expiry : 10 September 2027 Date of License Expiry : 10 September 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2.1	22 – 27 May 2023	Hasiholan Sihombing (<i>Lead Auditor Witnessing</i>), Radytio Puspanjana (<i>RSPO Lead Auditor Witnessed</i>), Erika Lucitawati, Sentot Adi Subandono, Riska Pangestika Imaniar	Moh Arif Yusni	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2.1	08 September 2023

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Figure 1. Location Map of PT Bina Sains Cemerlang

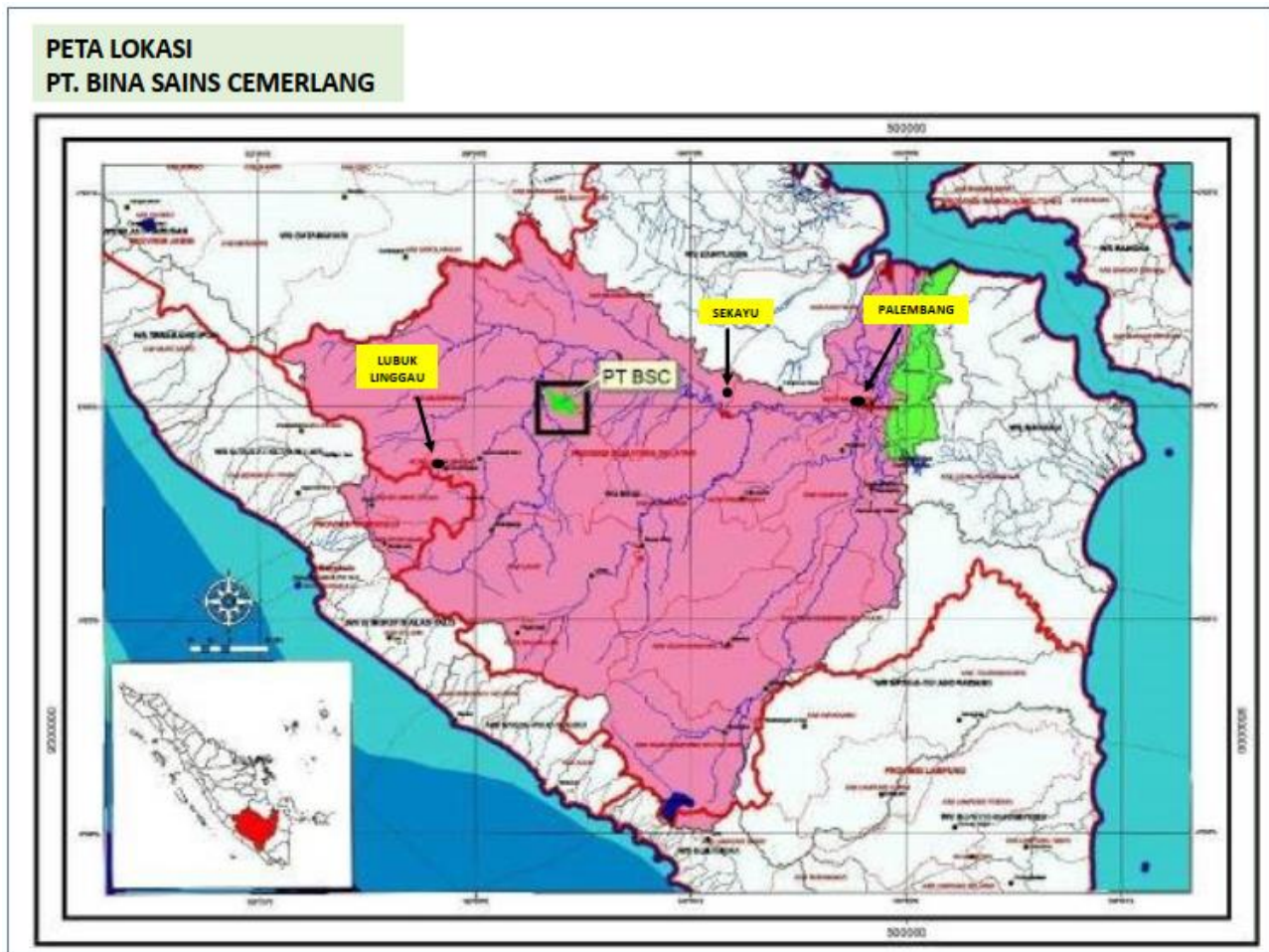
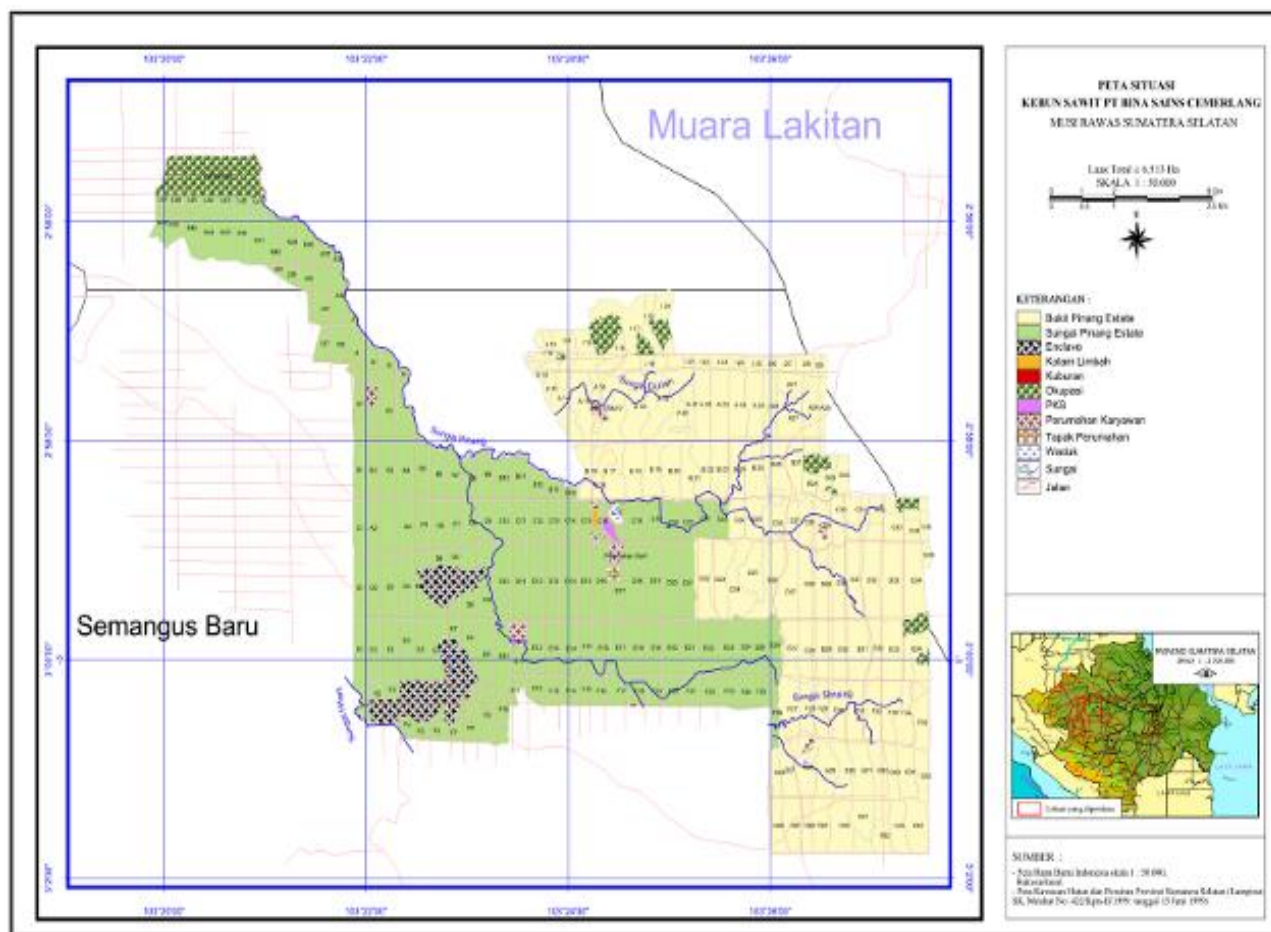


Figure 2. Operational Map of PT Bina Sains Cemerlang



Abbreviations Used

ASA	:	Annual Surveillance Audit
BAPP	:	<i>Berita Acara Pemeriksaan Pekerjaan</i> (Contractor Work Inspection Minutes)
BMP	:	Best Management Practices
BMS	:	Block Manuring System
BSC	:	Bina Sains Cemerlang
BSS	:	Block Spraying System
BPE	:	Bukit Pinang Estate
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Administrative Body)
BSC	:	Bina Sains Cemerlang
CEO	:	Chief Executive Officer
CHC	:	Central Housing Complex
CLA	:	Collective Labour Agreement
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
ESH	:	Environment, Safety, and Health
FFB	:	Fresh Fruit Bunch
FR	:	Frequency Rate
GCAD	:	Group Corporate Assurance Department
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HCVA	:	High Conservation Value Area
HGU	:	<i>Hak Guna Usaha</i> (Land Use Rights)
HIRAC	:	Hazard Identification Risk Assessment and Control.
HW	:	Hours Work
IDR	:	Indonesian Rupiah
IP	:	Identity Preserved
ISO	:	International Organization for Standardization
ISPO	:	Indonesian Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> (Plantation Permit)
K3/OHS	:	<i>Keselamatan dan Kesehatan Kerja</i> (Occupational Health & Safety)
KKKPA	:	<i>Koperasi Primer Untuk Anggota</i> (Primer Cooperation for Member)
LPUP	:	<i>Laporan Perkembangan Usaha Perkebunan</i>
LTA	:	Loss Time Accident
LTI	:	Loss Time Injuries
LCC	:	Leguminose Cover Crop
MB	:	Mass Balance
MRS	:	Minamas Research Center
NGO	:	Non-Government Organization
NPWP	:	<i>Nomor Pokok Wajib Pajak</i> (tax ID number)
OHSAS	:	Occupational Health and Safety Assessment Series
OHS	:	Occupational Health and Safety
PAA	:	<i>Pesawat Angkat Angkut</i> (such as Tractor, Mini Grabber, etc)
P&C	:	Principle & Criteria
PHL	:	<i>Pekerja Harian Lepas</i> (Daily Worker)
PIC	:	Person In Charge
PJK3	:	<i>Perusahaan Jasa K3</i> (Company that provides OHS services such as OHS license certification for Tractor Operators, Welders, etc.)
PK	:	Palm Kernel

PKWT	:	<i>Perjanjian Kerja Waktu Tertentu (Contract Worker)</i>
PKWTT	:	<i>Perjanjian Kerja Waktu Tidak Tertentu (Permanent Worker)</i>
POM	:	<i>Palm Oil Mill</i>
POME	:	<i>Palm Oil Mill Effluents</i>
PP	:	<i>Peraturan Pemerintah</i>
PPE	:	<i>Personal Protective Equipment</i>
PSD	:	<i>Plantation Services Department</i>
PSQM	:	<i>Plantation Sustainability and Quality Management</i>
PUK	:	<i>Pimpinan Unit Kerja</i>
RC	:	<i>Recertification</i>
RSPO	:	<i>Roundtable on Sustainable Palm Oil</i>
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (Environmental Management Plan/ Environment Monitoring Plan)</i>
RKS/RPS	:	<i>Rencana Kelola Sosial/ Rencana Pemantauan Sosial (Social Management Plan/ Social Monitoring Plan)</i>
SCCS	:	<i>Supply Chain Certification Standard</i>
SIA	:	<i>Social Impact Assessment</i>
SIO	:	<i>Surat Izin Operasional (Operational License)</i>
SKU	:	<i>Syarat Kerja Umum</i>
SKU-B	:	<i>Syarat Kerja Umum – Bulanan</i>
SKU-H	:	<i>Syarat Kerja Umum – Harian</i>
SOP	:	<i>Standard Operational Procedure</i>
SPE	:	<i>Sungai Pinang Estate</i>
SPF	:	<i>Sungai Pinang Factory</i>
SPL	:	<i>Surat Perintah Lembur (overtime order)</i>
SPPP	:	<i>Serikat Pekerja Pertanian Perkebunan</i>
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i>
SR	:	<i>Severity Rate</i>
TBP	:	<i>Time Bound Plan</i>
WLTK	:	<i>Wajib Lapor Tenaga Kerja (Employment Report)</i>

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020. RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT Bina Sains Cemerlang subsidiary of Sime Darby Plantation Berhad	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street Petaling Jaya, Malaysia 47301 Liaison Office: The Plaza Office Tower, 36 th Floor Jl. MH Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	alagendran.maniam@sime-darbyplantation.com	
1.2.7	Web page address	www.sime-darbyplantation.com	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head Sustainability)	
1.2.9	Registered as RSPO member	07 September 2004 (1-0008-04-000-00)	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	One Palm Oil Mill and supply bases: Sungai Pinang Factory (SPF), Sungai Pinang Estate (SPE) and Bukit Pinang Estate (BPE)	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Sungai Pinang	Sungai Pinang Village, Muara Lakitan Sub-District, Musi Rawas District, Sumatera Selatan Province, Indonesia	S 02° 59' 08" E 103° 24' 22"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Sungai Pinang Estate	Sungai Pinang, Anyar, Semangus Lama, Semangus Baru and Muara Lengas Village, Muara Lakitan Sub District, Musi Rawas District, Sumatera Selatan Province,	S 02° 59' 14" E 103° 24' 20"

		Indonesia		
	Bukti Pinang Estate	Sungai Pinang, Anyar, Semangus Lama, Semangus Baru and Muara Lengas Village, Muara Lakitan Sub District, Musi Rawas District, Sumatera Selatan Province, Indonesia	S 02° 59' 12"	E 103° 24' 25"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State			6,513 Ha
	• Community			- Ha
1.5.2	Area Statement			
	Description	Sungai Pinang Estate	Bukit Pinang Estate	Total (Ha)
	TOTAL AREA	3,374.42	3,138.58	6,513.00
	Mature Area	2,562.06	2,457.48	5,019.54
	Immature Area	617.69	548.41	1,166.10
	Mill	14.78	-	14.78
	Emplacement	40.88	41.70	82.58
	Infrastructure	91.00	69.99	160.99
	Nursery	18.45	-	18.45
	Others area (public facilities, <i>kampung</i>)	0.003	-	0.003
	HCV	23.36	21.00	44.36
	Occupation	6.20	-	6.20
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Bukit Pinang Estate	Sungai Pinang Estate	TOTAL (Ha)
	1996	135.38	146.45	281.83
	1997	14.14	52.61	66.75
	1998	268.26	154.10	422.36
	2000	177.46	-	177.46
	2005	-	190.61	190.61
	2009	-	14.00	14.00
	2010	-	51.72	51.72
	2013	130.24	206.04	336.28
	2014	228.84	279.61	508.45
	2015	505.81	393.82	899.63
	2016	324.54	496.02	820.56
	2017	212.69	198.33	411.02
	2018	142.90	218.67	361.57
	2019	150.50	160.08	310.58
	2020	166.72	-	166.72
	Total Mature	2,457.48	2,562.06	5,019.54
	2021	149.52	330.93	480.45
	2022	-	286.76	286.76
	2023	398.89	-	398.89
	Total Immature	548.41	617.69	1,166.10

	TOTAL		3,005.89	3,179.75	6,185.64		
1.6.2	New Planting area after January 2010			- Ha			
1.6.3	Planting Cycle			2 nd Cycle			
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Sungai Pinang Factory	30	70,589.61	14,325.09	20.31	2,916.36	4.10
	* Production data source from May 2022 to April 2023						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha /year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Sungai Pinang	3,374.42	2,457.48	35,090.92	14.24	35,090.92	100
	Bukti Pinang	3,138.58	2,562.06	34,992.52	13.70	34,992.52	100
	TOTAL	6,513.00	5,019.54	70,083.44	13.97	70,083.44	100
	* Production data source from May 2022 to April 2023						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	number of smallholder s	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	KKPA PT BSC (RSPO Non- Certified)	Subsidiary of Sime Darby (Plasma on progress)	21	163.75	474,81		
	PT Daya Agro Lestari (RSPO Non-Certified)	Outgrower	-	-	123,06		
	TOTAL					597,87	
	* Production data source from May 2022 to April 2023						
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)	Actual production in last 12 months (May 2022 to April 2023 (MT)		
	FFB Processed			73,900	70,083.44		
	CPO Production			15,500	14,205.11		
	Palm Kernel (PK) Production			3,600	2,891.75		
1.8.2	Product selling						
	Type of selling product			Actual selling product for last year (May 2022 to April 2023) (MT)			
	CSPO sold as RSPO certified product			0			

	CSPK sold as RSPO certified product		0					
	CSPO sold under other scheme		0					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		14,466.46					
	CSPK sold as conventional		2,928.17					
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)			
	Sungai Pinang	3,374.42	2,457.48	37,000.00	15.06			
	Bukti Pinang	3,138.58	2,562.06	35,000.00	13.66			
	TOTAL	6,513.00	5,019.54	72,000.00	14.36			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Sungai Pinang Factory	30	72,000	15,000	20.83	3,100	4.31	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2015			-				
	ISO 14001: 2015			-				
	ISO 45001:2018			-				
	ISCC			-				
	ISPO			MUTU-ISPO/090 valid until 03 August 2027				
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
NO	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time Bound						
INDONESIA								
1	Sekunyr. PT. Indotruba Tengah	2010	Sekunyr	2010	Seruyan and Kotawaringin Barat District, Kalimantan Tengah Province	Certified		
			Seruyan	2010		Certified		
2	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District, Riau Province	Certified		
			Manggala 2	2010		Certified		
			Manggala 3	2010		Certified		
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District, Kalimantan Barat Province	Certified		
			West (HGU on process)	2024		-		
			East	2010		Certified		

			East (HGU on process Sei Mawang)	2024		-
4	Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District, Riau Province	Certified
			Pinang Sebatang	2011		Certified
			Pinang Sebatang 448 Ha	2024		-
			Aneka Persada	2011		Certified
5	Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District, Sumatera Selatan Province	Certified
			Bukit Pinang	2012		Certified
6	Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District, Riau Province	Certified
8	Teluk Bakau. PT. Bhumireksa Nusa Sehati	2011	Teluk Bakau	2011	Indragiri Hilir District, Riau Province	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sehati	2014	Mandah	2011	Indragiri Hilir District, Riau Province	Certified
			Rotan Semelur	2011		Certified
10	Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District, Kalimantan Selatan Province	Certified
			Gunung Sari	2011		Certified
			Pantai Bonati	2011		Certified
11	Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District, Kalimantan Selatan Province	Certified
12	Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Gunung Kemas	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
13	Bebunga. PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified
15	Pondok Labu. PT Paripurna	2012	Binturung	2012	Kotabaru District, Kalimantan Selatan	Certified
			Pondok Labu	2012		Certified

	Swakarsa		Rampa	2012	Province	Certified
			Sesulung	2012		Certified
16	Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Matalok	2012		Certified
			Selabak (PT SAA)	2012		Certified
			Randi (PT SAA)	2012		Certified
			Sangkoh (PT SAA)	2012		Certified
			Lanting (PT LMR)	2012		Certified
17	Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District, Kalimantan Selatan Province	Certified
			Sekayu	2012		Certified
18	Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District, Sulawesi Tengah Province	Certified
19	Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District, Jambi Province	Certified
			Ladang Panjang (HGU on process)	2024		-
20	Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District, Sumatera Selatan Province	Certified
			Rantau Panjang (HGU on process 1843,73 Ha)	2024		-
			Bumi Ayu	2012		Certified
			Karang Ringin	2012		Certified
			Napal	2012		Certified
			Napal (HGU on process)	2024		-
			Mangun Jaya	2012		Certified
			Mangun Jaya (HGU on process 1398.55 Ha)	2024		-
			Sungai Jernih	2024		-
21	Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and Aceh Timur District, Province Aceh	Certified
			Batang Ara (PT PSK)	2013		Certified
			Blang Simpo-01	2013		Certified
			Blang Simpo-02	2013		Certified
22	Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District, Kalimantan Barat Province	Certified
			Awatan	2014		Certified
			Karya Palma (HGU on process 4760.70 Ha)	2024		-
			Pelanjau (PT BAL)	2019		Certified
			Pelanjau (HGU on process 4071.76 Ha)	2024		-
			Beturus (HGU on process 4071.76 Ha)	2024		-
MALAYSIA						
1	Sg Dingin	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified

	SOU 1		Padang Buluh	2010		Certified
			Bukit Selangor	2010		Certified
			Sg Dingin	2010		Certified
			Jentayu	2010		Certified
			Anak Kuli	2010		Certified
			Somme	2010		Certified
2	Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
			Holyrood	2011		Certified
			Kalumpang	2011		Certified
			Tali Ayer	2011		Certified
3	Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
			Elphil	2011		Certified
			Kamuning	2011		Certified
4	Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
			Bagan Datoh	2011		Certified
			Sabak Bernam	2011		Certified
			Sg Samak	2011		Certified
5	Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
			Sabrang	2011		Certified
			Sg Wangi	2011		Certified
			Sogomana (Main Division)	2011		Certified
6	Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
			Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
			Bikam	2011		Certified
			Clumy	2011		Certified
7	Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
			Sungei Buloh	2011		Certified
			Bkt Talang	2011		Certified
8	Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
			Bkt Cherakah	2011		Certified
			Bkt Rajah	2011		Certified
			Bkt Lagong	2011		Certified
			Elmina	2011		Certified
9	East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
			Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West – SOU 9	2010	West	2010	Carey Island, Selangor	Certified

11	Bukit Putri – SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor – SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
			Sua Betong	2010		Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebalang	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified
20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah	2010	North Labis	2010	Chaah, Johor	Certified

	SOU 20		Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified
			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingayu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified
30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			Kelida	2011		Certified

			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified
			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
P & G (New Britain Palm Oil)						
1	Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified
			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified
			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified

			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified
			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karaus	2008		Certified
			Moroa	2008		Certified
			Bilomi	2008		Certified
			Loata	2008		Certified
			Haella	2008		Certified
			Garu	2008		Certified
			Daliavu	2008		Certified
			Sapuri	2008		Certified

			Malilimi	2008		Certified
			Rigula	2008		Certified
			Nomundo	2008		Certified
			Navarai / Karato ME	2008		Certified
			Volupai. Lotomgam / Natupi / Goruru	2008		Certified
			Lolokoru	2008		Certified
			Silovoti	2008		Certified
			LSS Hoskin (1,877 Smallholders)	2008		Certified
			VOP East (1,815 Smallholders)	2008		Certified
			VOP Central (1,958 Smallholders)	2008		Certified
			VOP West (1,277 Smallholders) Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008		Certified
			LSS Kapiura (847 Smallholders)	2008		Certified
			VOP Kapiura (551 Smallholders)	2008		Certified

Time Bound Plan Revision dated 13 July 2023

Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&G that RSPO certified. Total management unit in Sime Darby Plantation Berhad are 34 in Malaysia, 25 in Indonesia and 10 in P&G. There is change of time bound plan, with detail:

1. Uncertified area in PT Sime Indo Agro: postpone become 2024 due to HGU process
2. Uncertified area in PT Sime Indo Agro: postpone become 2024 due to HGU process
3. Uncertified area in PT Bahari Gembira Ria: postpone become 2024 due to HGU process
4. Uncertified area in PT Aneka Inti Persada: postpone become 2024 due to HGU process
5. Uncertified area in PT Guthrie Pecconina Indonesia: postpone become 2024 due to HGU process
6. Uncertified area in PT Budidaya Agro Lestari: postpone become 2024 due to HGU process
7. For Liberia operations: As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).

<https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation>.

1.10.2 Progress of Associated Smallholders and Outgrowers for Certifiable Standard

The company has developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance with the location permit issued on 6 April 2015. Due to the expiry date of the location permit on 6 April 2018, the company re-apply for the extension of the plasma location permit on 20 April 2022. The latest information, the application for the extension of the plasma location permit has been submitted through the OSS system on July 16, 2022. The smallholders is ex plasma that not finish yet the agreement with CH (still process). During ASA 2.1 activities the company shows the progress of preparing plasma plantations:

- The meeting on 28 September 2022 involved Anyar Village, Muara Rengas, Semangus Baru and Sungai Pinang Village.

- | |
|---|
| <ul style="list-style-type: none">• Document application for extension / renewal of location permit dated 12 October 2022 to the Licensing Service (PTSP) of Musi Rawas District.• Documentation of the pilot for the northern boundary of the plasma plantations has been carried out from 19 – 25 September 2022.• Decree of the Head of Sungai Pinang Village no 141/21/KPTS/TD-SP/2022 dated 6 September 2022, regarding the determination of the village team for the development of plasma plantations and the preparation of a time line for the development of plasma plantations.• There is a Minutes of deliberation meeting to follow up on the development of plasma plantations on September 5, 2022 in the Sungai Pinang village building. |
|---|

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-2.1	<p>1. Hasiholan Sihombing (Lead Auditor Witnessing). Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO in 2016, RSPO P&C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2020, SA 8000 Awareness in 2018, Quality Management Systems (ISO 9001:2015) in 2016, Environmental Management Systems (ISO 14001:2015) in 2017, OHS General Expert in 2013, OHSAS 18001:2007 in 2017, ISO 19011:2018 in 2019, ISO 17021:2011 and ISO 17065:2012 in 2016. In this audit He conducted an witnessing of the auditor.</p> <p>2. Radytio Puspanjana (Lead Auditor Witnessed). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training, which was held by National GMT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. In this audit he is responsible for assessing the aspects of Legal, BMP and SCCS</p> <p>3. Erika Lucitawati (Auditor). Indonesian citizen. Bachelor of Engineering with major in Environmental Engineering. The trainings that have been attended include ISPO Lead Auditor Training, RSPO Lead Auditor Training, Awareness SA8000, In House Training of ISO 19011: 2018, ISO 17021: 2015, ISO 17065: 2012, ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, and The Supervision of Occupational Health and Safety Training. During this assessment, she verified environmental, GHG, and conservation aspects.</p> <p>4. Sentot Adi Subandono (Auditor). 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 labor, OHS, and transparency.</p> <p>5. Riska Pangestika Imaniar (Auditor trainee). Bachelor of Agriculture, Major in Soil and currently studying Master of Environmental Science, Department of Environmental Policy and Management. Has attended training on Lead Auditor ISO 14001: 2015, Lead Auditor ISO 9001: 2015, Awareness ISO 19011: 2018, Awareness ISO 17021: 2015, and Awareness ISO 14020 series. Has participated in several ISO 14001: 2015 environmental audit activities related to the Environmental Management System. In this audit activity, an assessment was made in the field of best cultivation practices under the supervision of the Lead Auditor.</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-2.1	<p>Number of auditors: 3 auditor, 1 Trainee Auditor and 1 Lead Auditor Witnessing</p> <p>Number of days for ASA-4 onsite audit: 5 days</p> <p>Number of working days for ASA-4 onsite audit: 15 Working days</p>
2.2.2	Assessment Process
ASA-2.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Bina Sains Cemerlang to the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, endorsed by the RSPO Board of Governors on 20th April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or</p>

substances from required documents; (2) *interview*, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.

Some opportunities for improvement of the results ASA 2.1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase ASA-2.2.

Improvement of findings from RC findings were observed by auditors at this ASA 2.1. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 2.1.

The opening meeting was held on 22 May 2023. As for the participants who attended the opening meeting included the General Manager, Estate and Mill Managers, Support Team from Jakarta and other staff. Closing meeting was held on May 27nd, 2023 attended by the same participants as the opening meeting. The management of PT Bina Sains Cemerlang accept all the ASA-2.1 audit results.

The assessment program please find Appendix 2.

2.2.3 Locations of Assessment

ASA-2.1

The sampling location method is carried out by the Auditor team based on:

The selected locations represent each operational area, namely (Sungai Pinang POM) and 2 main supply plantation units (Sungai Pinang Estate and Bukit Pinang Estate). Consideration of issues arising from the results of document review and stakeholder consultation that are fundamental and crucial. The locations visited in full are presented as follows:

Sungai Pinang POM

- **Sortation.** Observation and interview related to work procedure, OSH, worker welfare, and ethic.
- **Loading Ramp.** Observation and interview related to work procedure, OSH, and worker welfare.
- **Hydrant simulation.** Observation related emergency response, readiness of firefighting equipment.
- **Sterilizer.** Observation related OHS aspect and maintenance.
- **Hosting crane.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Thresher.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Press Station.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Kernel.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Boiler.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Engine room.** Observation and interviews related work procedure, OHS aspect, labour aspect,,and social aspect.
- **Security Post.** Field observation and interview related to technical work according to procedures, ethical code, OHS, employment, environment, and social aspects.
- **Weighbridge.** Field observation and interview related to technical work according to procedures, ethical code, OHS, employment, environment, and social aspects.
- **Chemical warehouse.** Field observation and interview related chemical management, OHS, and environmental aspect.
- **Hazardous Waste Temporary Warehouse.** Field observation and interview related hazardous waste management, OHS and environmental aspect.
- **Workshop.** Field observation related workshop activity, OHS, environmental and worker welfare aspect.
- **Laboratory.** Field observation related laboratory activity, OHS and environmental aspect.
- **WWTP.** Field observations and interview related ban entry to WWTP, run-off, and testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent.
- **WTP.** Observations related to water management, recording of water used, OHS aspect, and waste management.
- **Empty Bunch, Shell, and Fiber Area.** Observations related to aspects of OHS, and waste management.
- **POM Housing Complex.** Observations related to house condition, public facility, OHS aspect, and waste management.

Sungai Pinang Estate

- **Harvesting, Block G11, Division 2.** Field observations and interviews regarding technical work according to

- procedures, K3, employment and social aspects.
- **Harvesting, Block E07, Division 3.** Field observations and interviews regarding technical work according to procedures, K3, employment and social aspects.
 - **Spraying, Block G13, Division 3.** Field observations and interviews related to technical work according to procedures, K3, staffing and social aspects.
 - **Fertilization, Block E08 Division 3.** Field observations and interviews related to technical work according to procedures, K3, staffing, and social aspects.
 - **Nursery Area, Block H11, Division 2.** Field observations and interviews regarding technical work according to procedures, K3, staffing, and social aspects.
 - **Replanting Area, Block A04/05, Division 3.** Field observations regarding replanting activities, soil management and work procedures.
 - **Tyto alba's Monitoring Spot. Block A04, Division 3.** Field observation of Owl activities at IPM.
 - **Beneficial Plants. Block F13 and G 13 Division 1.** Field observations on the maintenance of beneficial plants (*Cassia cobanensis*, *Turnera subulat* and *Antigonon leptopus*).
 - **EFB Application. Block C06 Division 3.** Field observations and interviews related to technical work according to procedures, K3, employment and social aspects.
 - **Fire Monitoring Tower. Block D06 Division 3.** Field observation on fire tower maintenance.
 - **BMS & BSS.** Field observation related chemical management, OHS, and environmental aspect.
 - **Land Application Block F12 Division 2.** Observations related to aspects of OHS and environment.
 - **Block I010 Division 2: HGU Pole No. 17 and 18.** Observation of conditions and position of legal boundary.
 - **EFB Manuring, block H10.** Field observation and interview related to technical work according to procedures, OHS, employment, and social aspects.
 - **Clinic.** Field observation and interview related facility chemical management, OHS, and environmental aspect.
 - **Oil Storage.** Field observation and interview related OHS and environment aspect.
 - **Tank Fuel.** Field observation and interview related OHS and environmental aspect.
 - **Workshop.** Field observation and interview related hazardous waste management, OHS, and environmental aspect.
 - **HGU Pole No. BPN 06 Block C06.** Observation the conditions and position of legal boundary.
 - **HGU Pole No. BPN 01 Block A01.** Observation the conditions and position of legal boundary.
 - **HGU Pole No. BPN 12 Block A02.** Observation the conditions and position of legal boundary.
 - **Occupation area Block I008 Division 2.** Observation of managed and position of Occupation area.
 - **Monitoring Well of Land Application Block F12 Division 2.** Observations related to aspects of BMP, worker welfare, OHS and environment.
 - **Monitoring Well of Non-Land Application Block E11 Division 2.** Observations related to aspects of BMP, worker welfare, OHS and environment.
 - **Housing Complex Division 2 & 3.** Field observation to emplacement facilities such as assembling points, fire extinguisher, sanitation system, housing quality, playground, and mosque.
 - **Daycare Division 2 & 3.** Field observation and interview with worker related OHS, employment, environment, and social aspects.
 - **Landfill Block E07 Division 3.** Field observation related landfill condition.
 - **Fertilizer Storage.** Field observation and interview related health, safety and environment aspect.
 - **Pesticide Storage.** Field observation and interview related towards health, safety and environment aspect.
 - **Workshop.** Field observation and interview related hazardous waste management, OHS, and environmental aspect.

Bukit Pinang Estate

- **Harvesting, Block E12 Division 3 and Block D12 Division 1.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Immature plan, Block F20 Division 3 with terrace and EFB Application.** Observation related immature palm maintenance and soil conservation.
- **Beneficial plant, *Antigonon leptosus*, Block G19.** Field observations related to the implementation of IPM.
- **Manuring MOP.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Barn Owl Box, Block G19 and I20.** Observations related to the implementation of IPM.

- **Replanting Area, Block F19.** Observations and interviews with Contractor workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Path Circle with Supremo, Block H19 Division 3.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Sungai Pinang Riparian & replanting area (2023) in Block D16, Division 2.** Field observation regarding spray boundary markings, replanting activity and no chemical application.
- **HGU Pole No. BPN 14 Block K21.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 04 Block C11.** Observation the conditions and position of legal boundary.
- **HGU Pole No. BPN 5 Block D18.** Observation the conditions and position of legal boundary.
- **Fire Tower, Block H19, Division 3.** Field observation about fire emergency response condition.
- **Oil Storage.** Field observation and interview related to OHS and environment aspect.
- **Fire Fighting Warehouse.** Field observations and interview related to the completeness of firefighting equipment, as well as checking the condition of the pump engine.
- **Day-care Division 3 & 2.** Field observation and interview with worker related OHS, employment, environment, and social aspects.
- **BMS & BSS.** Field observation related chemical management, OHS, and environmental aspect.
- **Fertilizer Storage.** Field observation and interview related to health, safety and environment aspect.
- **Pesticide Storage.** Field observation and interview related to health, safety and environment aspect.
- **Fuel Tank.** Field observation and interview related OHS and environmental aspect.
- **Workshop.** Field observation and interview related hazardous waste management, OHS, and environmental aspect.
- **Housing Complex Division 2 & 3.** Field observation to emplacement facilities such as assembling points, fire extinguisher, sanitation system, housing quality, playground, and mosque.

2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2.1	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Bina Sains Cemerlang was held by:</p> <ul style="list-style-type: none"> • Public consultation on MUTU Website on 08 May 2023 • Public consultation with NGOs (by email) on 16 May 2023 • Public consultation meeting with government institution 23 May 2023 • Public consultation meeting with communities on 23-24 May 2023 • Public consultation meeting with internal stakeholders and contractor 23 May 2023 <p>Numbers of input from stakeholders were clarified by PT Bina Sains Cemerlang.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next assessment (ASA-2.2) will be conducted eight (8) months to twelve (12) month this assessment.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Sungai Pinang POM – PT Bina Sains Cemerlang, subsidiary of Sime Darby Plantation Berhad operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were one (2) Nonconformities were assigned against Major Compliance Indicators; four (4) Nonconformities were assigned against Minor Compliance Indicators; and two (2) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Sungai Pinang POM – PT Bina Sains Cemerlang subsidiary of Sime Darby Plantation, Berhad operation complied with the requirements of RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY		
1.1	The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The CH showed SOP information request No. SPO/001/BSC/2012 valid from 1 November 2012 in which the SOP explained that all requests for information addressed to the manager and then manager review the requisition to be made the response. Head of administration makes the draft of written response, then signed by the Unit Manager before sent to the parties, time of response is 3-15 days. There are documents accessible to public or stakeholders PT BSC for 2019 and it's has been approved by estate & factory Manager such as Land Use Title, Plantation Business Permit, HCV document, SIA document, EIA document, Committee of Occupational Safety & Health document, FFB production data, sustainable plantation management guidelines, human rights policy, non-discrimination policy, and prohibition of employing children. These documents can be accessed by sending a request to the management. Other than that, the SOP explains the types of information that may be accessed in public or provided in general and information that is confidential and requires approval from company management. The SOP also explains the person responsible for providing information both internally and externally, namely the Human Resources Officer or External Affairs Officer. Documents can be accessed publicly through website www.simedarbyplantation.com, including sustainability policy, human rights policy, ethical code, sustainability report, etc.</p>	
1.1.2	<p>Companies can show records of providing information to relevant agencies in the form of routine reports, such as:</p> <ul style="list-style-type: none"> Report on the Development of Plantation Business Activities (LPUP) for Large Private Plantations for Semester 2 of 2021 to the Plantation Office of Musi Rawas District on January 7 2022, Semester 1 of 2022 to the Musi Rawas District Plantation Office on July 7 2022, and Semester 1 of 2022 2 of 2022 to the Musi Rawas District Plantation Service on January 7, 2023. Reporting of OHS Committee SPE report for the first quarter of 2023 to the Manpower and Transmigration Office of Musirawas District on April, 2023. Reporting of OHS Committee BPE report for the first quarter of 2023 to the Manpower and Transmigration Office of Musirawas District on 05 April, 2023. Reporting of OHS Committee SPF report for the first quarter of 2023 to the Manpower and Transmigration Office of Musirawas District on 05 April, 2023. Reporting of Employment Report for PT Bina Sains Cemerlang (Sungai Pinang Estate) in 11 June 202 to Manpower 	

and Transmigration Agency of Musirawas District, and are required to report back until June 27, 2023.

- Reporting of Employment Report (WLTk) for PT Bina Sains Cemerlang (Sungai Pinang Factory) in 27 February 2023 to Manpower and Transmigration Agency of Musirawas District.
- Reporting of Employment Report for PT Bina Sains Cemerlang (Sungai Pinang Estate) in 27 February 2003 to Manpower and Transmigration Agency of Musirawas District, and are required to report back until June 27, 2023.

Based on the description above, it can be concluded that the company has routinely reported mandatory reports which are the provision of information to stakeholders on a regular basis in accordance with the timeframe. This is also reinforced by the results of interviews with representatives from Agencies in Musi Rawas Regency who stated that the company routinely reports all required information according to the time frame.

1.1.3

The company has a procedure for providing information to stakeholders in the Information Provision SOP document with document No. SPO/002/BSC/2016 No. Revised RSPO/1.2/PI which was ratified on 10 September 2016. This document describes the mechanism for requests for information submitted by stakeholders and responses provided by companies. The person in charge of receiving the information is the Operational Unit Manager with a maximum response time of 15 days. The company also has a mechanism for handling complaints from internal and external stakeholders in the Complaint Handling SOP document Number 005/BSC/2016 issued on November 1, 2016. The document describes the stages of receiving complaints and resolving complaints.

Records regarding requests for information and responses are listed in PT BSC's incoming and outgoing letters. The document informs the date of the letter, the destination address of the letter, the information needed, and the number of the letter. The form of response to requests for information from stakeholders, for example, is an incoming letter from a heavy equipment provider stakeholder dated March 27 2023 regarding an offer for a backhoe loader rental price. The company then indicated a response to the letter through document No. 119/BSC-SPF/III/2023 which was submitted to heavy equipment provider stakeholders on March 30, 2023.

1.1.4

Procedure for providing information to stakeholders documented in the Information Provision SOP document with document No. SPO/002/BSC/2016 No. Revised RSPO/1.2/PI which was ratified on 10 September 2016. The company has a mechanism for handling complaints from internal and external stakeholders in the Complaint Handling SOP document Number 005/BSC/2016 issued on November 1, 2016. The document describes the stages of receiving complaints and resolving complaints. The unit head compiles a list of stakeholders, which is updated at least once a year based on input from other relevant departments, such as the Legal, CSR, Commerce Department. Requests for information or complaints must be consulted first at the Division Head level, for example with the Regional Head, Sustainability Head, CSR Operation Head or other Operational Head.

1.1.5

The unit of certification shows a document containing a record of the company's internal and external stakeholders list. The update on the list of internal and external company stakeholders was carried out on May 25, 2023 which was made/verified by the Head of SPE Section, Head of BPE Section, and the Interim Person in Charge of the SPF Administration Head. Based on sampling for interviews with stakeholders referring to the stakeholder list document, it can be concluded that all contacts listed in the document are still active and in accordance with the data provided.

Status : Comply

1.2

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

1.2.1

Consistent with previous audits, the unit of certification has a policy regarding the code of ethics in all operational activities and transactions. Unit of certification had a policy concerning the ethical codes in all operational activities and transactions. This policy is stated in the Sime Darby Plantation Group Code of Conduct updated in December 2021. This policy generally explained that their ethical code is here as follows :

- Collaborating, respecting each other, equal opportunity, non-discrimination, and protecting human rights.
- Avoid conflicts of interest.

- Avoid bribery and corruption.
- Ensuring the confidentiality of the information and preventing the abuse of obtained information through the company's operational activities.

The scope of this policy is: shareholders, board of commissioners, directors, employees, customers, contractor partners, business partners, creditors, banks, auditors, local communities / partners and the environment, government, competitors, mass media, NGOs, CBOs, unions. Workers, Strategic Business Partners, Plasma Farmers, and similar industry associations.

Code of ethics policy has been implemented by the company in all business operations and transactions including recruitment and employment contracts. Code of ethics (anti-corruption and anti-bribery) are stated in every work agreement letter of third parties (contractors) and workers. Based on the interview with workers and contractor workers, it's known that they had a good understanding towards the code of ethics policy.

1.2.2

In procedure No. 440/HRM-COC/07 chapter 6 regulates the enforcement of the code of conduct which contains monitoring and implementation; reporting of violations; and imposing sanctions for violations. Compliance with the code of conduct is the responsibility of management, assisted by the Minamas Disciplinary Committee. Unit Heads are responsible for their respective work environments. Each individual is obliged to report every violation to the Disciplinary Committee, then the Disciplinary Committee reports to Management with sufficient and accountable evidence. Management is obliged to provide protection for the reporter. Individuals who commit violations have the right to provide an explanation to their direct supervisor, prior to the decision to impose sanctions.

Other than that, certification unit have a system to monitor compliance and implementation of policies and overall ethical business practices on several SOPs, here as follows:

- SOP of ethical code implementation monitoring No. 01/SOP/MIK-PSQM/II/2020 validated on 2 January 2020 which stated the UoC's procedure in implementing their ethical codes.
- SOP of recruitment validated on 4 January 2021 which stated that in recruitment the minimum age to apply is 18 years old and there was no cost in recruitment process.
- SOP of handling grievance of workers (No. SOP SHE Rev-01) validated on 1 February 2016 which stated the procedure in handling workers' grievance.
- SOP of handling grievance of communities (No. 005/LSI-PKM/14) validated on 1 January 2014 which stated the procedure in handling communities' grievance.
- SOP of handling information (No. SOP Rev-02) validated on 01 February 2016 which informed the UoC's accessible documents and the procedure in delivering requested information.

Based on the management review and internal audit document, there were no violation against the UoC's ethical codes.

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 unit of certification complies with all relevant laws and regulations, such as :

- Report on the Development of Plantation Business Activities (LPUP) for Large Private Plantations (PBS) for Semester 2 of 2021 to the Plantation Office of Musi Rawas District on January 7 2022, Semester 1 of 2022 to the Musi Rawas District Plantation Office on July 7 2022, and Semester 1 of 2022 2 of 2022 to the Musi Rawas District Plantation Service on January 7, 2023.
- The CH has contract workers who have made a work agreement and reported it to the Wusirawas District Manpower Office, for example the PKWT Labor SPK legality report dated April 5, 2023.
- The results of field observations at POM found that the machine operator already has OHS.
- The CH has reported the Mandatory Manpower Report and OHS Committee Report every 3 months.
- The results of field observations, interviews and document review revealed that there were no child laborers in any

of the Company's operations.

- The company has cleared land for replanting without burning and has planted certified seeds.
- The company does not use invasive species in biological pest control.
- The company has stored chemicals in accordance with applicable regulations.

Legal Regulation

- The company also showed *HGU* certificate No. 7 for a land area of 6,513 Ha which was issued on June 12, 1999 by the Head of the Land Office of Musi Rawas District based on the Letter of Measurement No. 3/MURA/1999. The certificate is valid until June 11, 2034.
- Company also has business permit in form of Plantation Business Registration Letter No. 105/Mentanhut-VII/2000 from the Ministry of Forestry and Plantations of the Republic of Indonesia issued on October 9, 2000. The permit cover 6,135 ha of company operational area and mill capacity 30 ton/hour.

Environmental Regulations

- Environmental Impact Analysis (*AMDAL*) document for Oil Palm Plantations and Palm Oil Mills with a reserved area of 24,000 Ha and an installed production capacity of 30 tons of FFB/hour (can be increased to 45 tons of FFB/hour). Agribusiness Agency of Ministry of Agriculture has approved this document No. 005/ANDAL/RKL-RPL/BA/X/94, dated October 18, 1994.
- Revised Environmental Management Plan (*RKL*) and Environmental Monitoring Plan (*RPL*) for Palm Oil Plantations and Processing Mills were approved by Musi Rawas District Head 128B/KPTS/IV/2007 on October 30, 2007. Plantation area is 6,513 ha with reserved area of 24,000 ha, capacity of 30 to 60 tons FFB/hour. In addition, this document was prepared by Center for Environmental Research Institute, Sriwijaya University. *AMDAL* drafting team Ir. H.M Idris Naning (Team Leader, *AMDAL* 1 & B).
- Social and Environmental Impact Assessment for PT Bina Sains Cemerlang replanting activities for the 2015-2018 period covering an area of 1,774.23 ha consisting of 865.90 ha (Bukit Pinang Estate) and 908.33 ha (Sungai Pinang Estate).
- Decree of the Head of the Musi Rawas District Investment and One-Stop Service Office Number 503/05/LB3/DPM-PTSP/V/2019 dated May 31, 2019, regarding the Extension of Hazardous Waste Temporary Storage Management Permit at PT Bina Sains Cemerlang. The validity period is five years from the date of this decision.
- Decree of the Regent of Musi Rawas District Number: 436/KPTS/LDH/2017 dated June 7, 2017, concerning the permit for liquid waste for land application activities which is valid for five years from the date of stipulation. Based on this permit, it is known that the land application area is 83.64 ha (Sungai Pinang Estate), located in blocks F11 and E12.
- Decree of the Minister of Public Works and Public Housing Number. 782/KTSP/M/2021 dated June 16, 2021, regarding granting a water resource exploitation permit to PT Bina Sains Cemerlang for palm oil and domestic processing in Sungai Pinang, valid for five years from the date of stipulation.

2.1.2

The certificate holder has a documented system to ensure legal compliance listed in the Legal Requirements Procedure, dated on May 1, 2017. The procedures include explaining that regulations can be obtained and updated by contacting government and non-government agencies to ensure that the latest regulations apply, including international, national and local and actively visit related websites. Regarding the implementation of regulations, the company ensures that the regulations are in force in the company units, both those applied by the company and third parties who cooperate with the company by carrying out operational internal audit activities. For third parties (contractors), to ensure legal compliance is stipulated in the Contractor's Work Regulations Procedure, February 28, 2019, which among others explains that all contractor employees must follow all OHS regulations applicable in the company, must pay workers' wages in accordance with applicable provisions, is required to register all workers with the social security program (BPJS Employment). In addition, the management unit also monitors the number of contractors, the list of names of contractor workers, the validity period of the employment agreement, legal entity status, social security and wages of contractor workers, and special licenses for work that require these requirements.

The company has shown the latest regulatory compliance document which was carried out in 10 April 2023. The document describes the company's compliance with the regulations in force in the Republic of Indonesia, for example the fulfillment

of the latest regulations such as the Decree of the Governor of Sumatera Selatan regarding the Provincial Minimum Wage.

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

- PP No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs
- PP No 36 of 2021 concerning Wages
- PP No 37 of 2021 concerning Job Loss Guarantee
- PermenLHK Number P.12 of 2020 concerning Storage of Hazardous and Toxic Waste.

2.1.3

The company has a map that showing the location of the boundary poles in each estate. The company has also monitored HGU boundary pole in 2022 by showing the results of monitoring, in accordance with the HGU Pole Maintenance SOP (PM 3001) on 10 January 2010. The results of field observations on the boundary pole for example in HGU Pole No.14, 4 and 5 (Bukit Pinang Estate) and Pole No. 06, 01 and No. 12 (Sungai Pinang Estate) is found and that the condition of the boundary poles is well maintained. Base on observations and cadastral maps of the boundary markers, the location of the stakes has been adjusted to the proper position.

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 CH shows the List of Contractors 2023 at PT BSC which includes all third parties that have agreements with CH, namely CPO & PK transporters, hazardous waste transporters, replanting contractors and others. For example, they include:

- PT MKJP, a replanting contractor.
- CV Semangus Indah Express, Contractor for transporting CPO and PK.
- CV Halid Berkah Sejahtera, a contractor for cutting grass in the factory area.
- CV Asa Gading Perdana, SPE Estate Housing Development Contractor.
- CV Putra Sungai Gelam, Factory Housing Construction Contractor.

2.2.2

- SOP on Legal Compliance Requirements for Third Parties (document No. 001/BSC-PPHK/I/22 dated 22 January 2022 which describes parties responsible for ensuring third party legal compliance, procedures for monitoring compliance and evaluation of such monitoring.
- The results of the document review found that the company already has a list of contractors that work with the company as many as 6 contractors. The company shows examples of Cooperation agreements with third parties, namely CV Halid Berkah Sejahtera, CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam, and CV Semangus Indah Express. The agreement has stated the third party's obligations to comply with applicable laws and regulations such as the application of OHS, BPJS for workers, worker licenses, PPE, the obligation to pay taxes, and other provisions.

BPJS Health and Employment of Contractor Employees

- Law number 40 of 2004 concerning National Social Security regulates, among other things, that employers gradually register themselves and their workers as *BPJS* participants.
- There are differences in the contents of the SPK clause regarding *BPJS* membership. The *SPK* of CV Halid Berkah and CV Semangus Indah Express which includes *BPJS* Health and employment, while the other *SPK* only regulates *BPJS* employment.
- Document review results are also known:
 - CV Semangus Indah Express, there is a list of workers for the 2023 period which informs that there are 12 workers, with 4 workers not having *BPJS* Employment, 1 person not having *BPJS* Health, and 4 people currently in the process of registering for *BPJS* Health. Meanwhile in the document "monitoring third party compliance" to the relevant legal requirements, it is informed that participation in the *BPJS* Employment and Health program is

complete.

- PT MKJP, the results of field observations and interviews show that there are 17 workers. However, only 5 people were shown in the worker list document, and only 2 people had Health and Employment *BPJS*.
- Results of interviews with management representatives of CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam informed that not all workers were registered with *BPJS* Employment and Health, and for CV Asa Gading Perdana and PT Mitra Karya Jaya Perdana the results of compliance monitoring could not be shown third party.

Wages according to UMK

- Decree of the Governor of Sumatera Selatan number 908/KPTS/DISNAKERTRANS/2022 stipulates that the Musirawas UMK is Rp. 3,536,218 as the basis for payment of wages.
- PP 35 of 2021 regulates that wages are workers' rights that are paid by employers based on regulations.
- The results of the document review found that there were 2 salary slips for contractor workers at CV Halid Berkah Sejahtera for April 2023 whose value was below the Musirawas UMK, namely Rp. 3,536,218. The salary slip with the initials MS for 24 working days is Rp.2,953,074 and the initials Sy are for 24 working days with a value of Rp. 3,023,074 which is the gross salary, namely salary without any deductions.

Work Relations between contractors/outsourcers and workers

- PP No. 35 of 2021 article 18 regulates the working relationship between outsourcing companies and their employees based on *PKWT/PKWTT* in writing.
- Based on the results of the document review, it was found that documents on the working relationship between contractors and workers have not been shown for all contractors who work with the company.
- The results of interviews with CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam found that not all contractor workers have a work agreement with the contractor.

Based on this, it is known that The CH has not been able to show that all third parties who cooperate in operational activities have fulfilled relevant legal obligations and can be proven by the third party concerned. **This becomes NCR 2023.01 with the minor category.**

2.2.3

The company already has contracts with companies including contracts with FFB suppliers that contain clauses that prohibit practices involving child labour, forced labour, and workers from human trafficking.

2.2.2 Status: NCR 2023.01 with minor category

2.3

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

2.3.1

The company has a list of FFB suppliers for the period 2021/2022 with details as follows:

Supplier	Status	Width (ha)	Location	Coordinate
Bukit Pinang Estate	SimeDarby Group	3,138.58	Village Sungai Pinang, Sub-District Muara Lakitan, District Musi Rawas, Province Sumatera Selatan	S 02° 59' 14" E 103° 24' 20"
Sungai Pinang Estate	SimeDarby Group	1,796.19	Village Sungai Pinang, Sub-District Muara Lakitan, District Musi Rawas, Province Sumatera Selatan	S 02° 59' 13" E 103° 24' 25"
KKPA. PT BSC	SimeDarby Group	381.02	Village Sungai Pinang, Sub-District Muara Lakitan, District Musi Rawas, Province Sumatera Selatan	S 04° 58' 00" E 103° 25' 11"
PT Daya Agro Lestari (PT DAL)	Outgrower	1,093.29	Village Sungai Pinang, Sub-District Muara Lakitan, District Musi Rawas, Province	S 02° 56' 44" E 103° 24' 9.3"

			Sumatera Selatan			
<p>The supplier list recording also explains details regarding the legality of the land owned by the supplier, for example for PT Daya Agro Lestari which already has land rights based on the Decree of the Minister of Agrarian and Spatial Planning No.: 4/HGU/KEM-ATR/BPN// 2020 Regarding the Granting of Cultivation Rights on behalf of PT Daya Agro Lestari, on land in Musi Rawas District, Sumatera Selatan Province. FFB suppliers other than nucleus plantations are suppliers who have not been RSPO certified.</p>						
2.3.2						
<p>From the results of a review of production documents for the period 2021/2022 along with interviews with weighing operators at the Sungai Pinang PKS, the company does not accept FFB from collecting agents.</p>						
	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						
<p>The company shows a record of the Long Term Plan contained in the PT Bina Sains Cemerlang Business Plan document for the period 2023 – 2027 which has been approved by the Head of Sustainability & Quality Management. The document contains plantation business information including production projections, plantation and factory operational plans, FFB source plans, cost projections and others.</p>						
<p>The FFB production plan for the period 202023 – 2027 contained in the document is as follows :</p>						
	Item	2023	2024	2025	2026	2027
	FFB Production (MT)	86.935	87.940	97.782	106.540	117.789
3.1.2						
<p>Certification unit show the record of the Long Term Plan contained in the PT Bina Sains Cemerlang Business Plan document for the period 2023 – 2027 which has been approved by the Head of Sustainability & Quality Management. The document contains a replanting activity plan, namely:</p>						
	Item	2023	2024	2025	2026	2027
	Replanting Programme (Ha)	459	562	-	379	-
<p>The company has conducted regular evaluations every year to review the achievements of the plans that have been prepared by the company. The evaluation of the 2022 work plan (including the replanting plan) was evaluated on 23 January 2023 which was attended by the company’s management.</p>						
3.1.3						
<p>Plantation business monitoring activities are carried out through ISPO and RSPO internal audit activities. ISPO and RSPO internal audit activities are carried out with a frequency of once a year according to Internal Audit procedures in document No. SCCS-IA/RSPO/PSOM/04 Revision 0.0 issue date 01 March 2018. The RSPO internal audit activity was carried out by the internal audit team on 10 – 15 April 2023 with audit results finding 6 non-compliances, for example, non-compliance with P&C 7.3.2 related to waste management and waste that has not complied with the applicable procedures, found waste and burn marks in the SPE and BPE units, hazardous and toxic waste has not been stored in a licensed hazardous and toxic waste temporary shelter. This activity is followed up with company management review activities with discussions including budgets, internal audit results, process performance and product suitability as feedback from customers, status of preventive actions and corrective plans, follow-up improvement plans, management system reviews, and recommendations for improvements. Mill and estate management review activities have carried out in April – May 2023.</p>						

Status: Comply

3.2

The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.

3.2.1

The unit of certification carries out monitoring and review activities of economic, social and environmental performance and develops and implements action plans that enable continuous improvement, such as :

Audit Internal

The RSPO internal audit activity was carried out on 10 – 15 April 2023 with the scope of SPF, SPE and BPE. The results of the internal audit found that there were 6 discrepancies, for example regarding the SIO that could not be shown regarding several operators and waste management that was not in accordance with applicable procedures.

BMP Aspect

- The CH does not use pesticides with the active ingredient paraquat dichloride
- The CH has implemented the IPM in order to reduce the use of pesticides.
- The CH has planted vetiver grass for soil conservation in the area.

3.2.2

The company has shown the metric template ver.2.1 which has been filled in according to the existing supporting data, for example related to the area of the certificate, the area of the conservation area, the details of the workforce, to the production of certified FFB according to the specified period. The results of the review of the metrics template for the 2022 period, it is known that:

- The input result of the number of lost time injuries SPF does not match the data source, as follows:

	Metric template	Source
Number of LTI	1	0
Total HW	63,378	187,387

- The data source for the number of lost time injuries SPE and BPE cannot be verified.
- Not all data sources regarding training can be verified.

Based on this, it is known that the company has not been able to show sufficient evidence that the preparation of the matrix template is based on accurate data sources. This becomes a 2023.02 non-conformity.

Status: NCR 2023.02 with minor category

3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

The company has procedures related to plantation and mill operations, including mill, estates and Traceability system, the procedures contained in the reference manual for agronomy for planting oil palm No. 110/EST-ARM/13 which consists of 18 technical sections on oil palm cultivation which was released based on a plantation head note on 16 September 2013. The document contains regulatory procedures such as land preparation, replanting, planting, maintenance of immature plantations, maintenance of immature plantations. Produce, harvest, transport, and integrated pest control. In addition, there are also technical guidelines for palm oil mills which consist of the basis for processing palm oil, storing oil and palm kernel, controlling factory wastewater, and other operational activities.

Based on field observations, it was revealed that the workers had understood the technical work according to the procedures they had. For example, field observations in the boiler section show that the operator has understood the work aspects according to the procedure. Likewise, observations at SPE and BPE show that harvesters and sprayers understand harvesting techniques according to company procedures.

3.3.2

Mechanisms to checking the implementation of procedures are carried out consistently starting from the level of supervision by foremen and field assistants and followed by daily evaluation in morning briefing. Besides that, the

inspection also goes through an internal audit conducted by the Internal Auditor with a frequency of activities at least 2 months before external audit is carried out or minimum once a year that refers to the procedure of Internal audit in SCCS-IA/RSPO/PSQM/04 and will be followed up in the management review meeting. For management review activities described in 3.1.3. In addition, to examine the implementation of procedures for work carried out by contractors/third parties, the company evaluates contractors and conducts inspections when submitting minutes of work completion at each stage of payment.

3.3.3

Based on the results of the field visit on ASA-2.1, it is known as follows:

- The location for domestic waste collection and where there is a burnt container for domestic waste in the vacant land of the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Location of domestic waste collection on vacant land of Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Domestic waste disposed of in HCV area of Sungai Pinang Block H10 Sungai Pinang Estate.
- Domestic waste scattered behind the Pondok Antigonon Division 3 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of behind the Pondok Turnera Division 2 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of outside the 30andfill pit with a distance of ± 50 m in Block K18 Division 3 Bukit Pinang Estate.

As a preventive action for previous discrepancies, the company has prepared the following documents:

- Checklist for Worker's Housing Sungai Pinang Estate Division 3 regarding the results of monitoring housing conditions conducted by Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there has been no burning of waste since December 2022-April 2023.
- Dissemination of waste management to employees which was attended by 96 participants on 21 June 2022 at Sungai Pinang Estate.
- Checklist for Worker's Housing Bukit Pinang Estate Division 3 regarding the results of monitoring housing conditions carried out by the Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there is no burning of waste in the January-April 2023 period.
- Dissemination of waste management to employees which was attended by all employees on 8-19 August 2022 Bukit Pinang Estate.

The company already has a Waste Management SOP procedure no. 33/PS/VII/2014 Revision 1 dated 1 September 2014 which was approved by the Estate Manager and Factory Manager. The procedure states the following:

- Point V.1 states that, "Household waste is collected in trash bins that have been provided in residential areas or work locations."
- Point V.8 states that, "Garbage is only disposed of in the places provided. It is not permissible to throw garbage anywhere."
- Point V.9 states that, "It is not justified to burn household waste that has been collected."

During the ASA-2.1 assessment, the company again showed evidence of improvement in the form of a checklist for monitoring housing conditions which is carried out every month and socialization on domestic waste management. However, the monitoring results are not in accordance with the conditions in the field so that domestic waste is still found in housing. Thus, the corrective actions shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively.

Thus, the company has not shown evidence that monitoring and follow-up records for domestic waste management have been carried out consistently and effectively. Thus, this becomes Nonconformity No. 2023.3 changed its status to Minor raised to Major.

3.3.3	Status: Nonconformity No. 2023.3 with minor raised to major category.
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3.4

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

updated in ongoing operations.**3.4.1**

Company already has several documents related to social and environmental impact studies carried out independently or participative by involving affected stakeholders in collaboration with accredited independent experts. Some of the records held by company are as follows:

Environmental Impact Assessment (EIA)

Company has EIA document (AMDAL) covering 24,000 ha with mill capacity of 30 ton/hour. The document is legalized by Agribusiness Division of Agriculture Department No. 005/ANDAL/RKL-RPL/BA/X/94 dated 18 October 1994. The study includes impact analysis on air quality reduction, soil fertility, erosion and sedimentation, water quality, change in vegetation cover and wildlife disturbance, community recklessness, job opportunity and the development of local business and income.

Revised Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) of Plantation and Palm Oil Processing Plant have been approved by the Regent of Musi Rawas 128B / KPTS / IV / 2007 dated 30 October 2007. The estate area is 6,513 ha with 24,000 ha of reserve area, Capacity 30 to 60 Ton FFB/Hour. In addition, this document was created by the Centre for Environmental Research Institute, Sriwijaya University. The team of AMDAL Ir. H.M Idris Naning (Team Leader, AMDAL 1 & B). Social and Environmental Impact Assessment for replanting activities of PT Bina Sains Cemerlang for 2015-2018 covering 1,774.23 ha consists of 865.90 ha (Bukit Pinang Estate) and 908.33 ha (Sungai Pinang Estate).

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

Company has also identified HCV area within its operational area. The identification was conducted by independent consultant of CV POLLITO. Activities that have involved the community are shown by Minutes of Implementation of Consultation Activities on HCV Identification (No. 04/ BAP/Pollito/05/2011) dated May 12, 2011. The public consultation was attended by 16 people consisting of consultants, community, academics (students), relevant agencies, NGOs, village heads and company management. Identification result shows that HCV area including Pinang River, Durian River, Selingsing River, and Black River; with a total river length of ± 49.2 km; Based on Presidential Decree 32 of 1990, a protected area (buffer zone) is set as wide as 50 m on the left and right of the river or equivalent to ± 492 ha. Further explanation of HCV assessment is contained in 7.12.2.

Social Impact Assessment (SIA)

Company has conducted social impact assessment of oil palm plantation management in July 2011 conducted by CV POLLITO. The report about the involvement of which contain the public to ask for input related to environmental and social aspects of society. Communities involved include (documented in the public hearing event attendance list): Forest Agency, Environment Agency, Plantation Agency, Social Agency, local NGOs, Community Leaders, Customary Leaders, Youth Groups, etc. The form of stakeholder involvement is carried out through discussions, interviews, field checking and telephone contacts.

The form of stakeholder involvement is through discussions and interviews. There is recorded evidence in the form of the attendance list of activities public hearing on January 6, 2010. The event was attended among others by: Community leaders, customary leaders, youth groups, Forest Agency, Environmental Agency, Agriculture Agency, Social Agency, local NGOs, and other.

The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders, affected parties, and local village officials who represent the community and as verifiers. Secondary or indirect data collection is carried out through literature studies through various references such as environmental assessment documents, HCV study results in documents, local government literature, CSR implementation records, company internal data, correspondence between companies and affected parties, local

news, and information. National and so on. These data sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts of plantation activities have been identified, and their management recommended relevant regulations and laws.

3.4.2

Company has managed and monitored social and environmental impacts that are carried out independently by involving affected stakeholders. Some evidence of documentation of activities that have been carried out are as follows:

Social Impact Assessment (SIA)

One form of corporate social management that is carried out is the development/composition involving affected parties in the assessment of social impact studies on operational activities. In the January 2010 PT BSC Palm Oil Plantation Management Social Impact Study Report, the villages affected were Muara Rengas Village, Anyar Village, Sungai Pinang Village, Semangus Lama Village and Semangus Baru Village. As a follow-up to the assessment, there are several recommendations/matrices for social impact management and monitoring plans, such as:

- Building a role to increase community knowledge and skills.
- Unresolved land conflicts
- Plasma program

As one of the efforts to improve and pay attention to the latest situation from the previous year, the company carried out an SIA review which was carried out on January 20, 2023 for the implementation of management and monitoring in 2022. This was carried out due to the dynamic nature of the social situation. The results of the 2022 SIA review of the impacts that are managed and monitored are as follows:

- Provision of employment opportunities to the community
- Development of plasma plantations
- Road repair

In 2022, the company has implemented social impact management in the form of a 2022 Sustainable Livelihood Asset (SLIA) Measurement Report for the Minamas Plantation Group Fostered Villages. Based on this document, the company has identified potential resources and sustainable livelihood issues in the villages surrounding the company, including villages around PT Bina Sains Cemerlang, namely Sungai Pinang Village and Anyar Village. This activity has also involved villages surrounding the company, including representatives from Sungai Pinang Village and Anyar Village, which was carried out from 30 September to 30 December 2022.

The company also shows the SIA management and monitoring plan matrix for 2022-2023, namely for significant impacts:

- Potential land conflicts
- Facilities and infrastructure
- Employment Opportunity
- Progress of plasma development

The results of verification through online media showed that there were social issues related to community conflicts/land claims from Suka Maju Village and plasma claims from Sungai Pinang Village. Then the results of interviews with the village head of Suka Maju (SP5) obtained information that the village had never been involved in preparing the SIA program for the 2022-2023 period, so there was not enough evidence that the SIA management and monitoring plan for 2022-2023 had involved all affected stakeholders.

Thus, the company has not shown evidence that its management and monitoring plans have been developed with the participation of affected stakeholders. This is nonconformity No. 2023.4 with minor category.

Environmental Impact Assessment (EIA)

Implementation of environmental monitoring and management plan are documented on periodical report of environmental monitoring and management implementation report (RKL-RPL) report for PT Bina Sains Cemerlang. Company is consistently done the environmental management and monitoring as outlined in the Report of the Environmental Management and Monitoring per semester regularly. This is one of effort of the company to develop its management and monitoring plan by participatory manner with affected party. This report described the realization of monitoring and management of the environment in accordance with environmental parameters in monitoring and management

implementation report (RKL-RPL) report based on document verification Second Semester 2022.

Company established an HCV management plan to maintain the HCV areas in operation are listed on the Management plan HCV 2022 documents. HCV management and monitoring implemented that taken by the management unit such as maintaining HCV attributes (HCV boundary, signboard), HCV socialization (community and worker), keeping HCV area, regular patrols for maintaining HCV security, species monitoring, enrichment in riparian. Further explanation of HCV management and monitoring plan is contained in 7.12.4.

3.4.3

Company has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. In addition, company also periodically updates the administration in a participatory manner. Some documentary evidence of the actions that have been made are as follows:

Social Impact Assessment (SIA)

Company has shown evidence of implementing the social impact management plan, reviewed, and updated in a participatory manner with affected stakeholders. This review has been conducted annually. Based on the results of the Socialization/Consultation document regarding the action plan and monitoring of social and environmental impacts in 2022, which was carried out on 30 September to 30 December 2022, to the environment around the community such as Semangus Baru Village, Desa Anyar, Sungai Pinang Village, Muara Rengas Village, Sindanglaya Village, and Sukamaju Village. Based on this document, management and monitoring of social plan of 2022 which has been reviewed, such as social aspect (land conflict, public facility, land fire handling socialization), economic aspect (plasma construction), educational aspect, health aspect, religious aspect, and environmental aspect. Besides, all issue has been captured on SIA 2022.

Environmental Impact Assessment (EIA)

Company involves Environment Service and the Ministry of Environment and Forestry to monitor the results of environmental management by presenting Management and Monitoring (RKL-RPL) reports and other environmental management documents that are sent every certain period, which can be proven in indicator 1.1.2. Company also does not block access to all environmental agencies if they carry out field verification in their management areas. It aims to obtain advice and advice in carrying out environmental management by the vision, mission, and government programs so that they can run synergistically. Monitoring and updating related to environmental impact management are also carried out in conjunction with an evaluation of HCV management described in more detail in indicator 7.12.4. However, in general, all recommendations from the assessment of HCV management carried out in a participatory manner will be carried out in line with the management and monitoring of environmental impacts.

Company established an HCV management plan to maintain the HCV areas in operation are listed on the Management plan HCV 2022 documents. HCV management and monitoring implemented that taken by the management unit such as maintaining HCV attributes (HCV boundary, signboard), HCV socialization (community and worker), keeping HCV area, regular patrols for maintaining HCV security, species monitoring, enrichment in riparian. Further explanation of HCV management and monitoring plan is contained in 7.12.4.

Based on the verification results of the Management and Monitoring (RKL-RPL) Implementation Report document for Second Semester of 2022, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. Several things can be concluded from the results of the review of the RKL-RPL document for Second Semester of 2021 and First Semester of 2022, including:

- Preventing soil, water, and air pollution by reducing the use of chemicals, managing waste properly, and complying with proper waste disposal in each area.
- Carry out efforts to save the environment by protecting areas important for environmental sustainability, such as river borders.
- Manage and monitor the impact of potential land and land fires.
- Manage and monitor the quality of soil, air, water, and other disturbances.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels.

3.4.2 Status: Nonconformity No. 2023.4 with Minor Category

3.5

A system for managing human resources is in place.
3.5.1

The CH has procedures related to recruitment, selection, appointment, promotion, retirement and termination of employment, contained in:

- SOP No. Policy 410/EGM-TA/HRM regarding Procedures for Admission of Staff, Non-Staff, SKU and PHL.
- SKU recruitment is stated in Memorandum Number 0057/PRS-i2/X/12 concerning Procedures for Recruitment of SKU Workers dated October 22nd, 2012.
- PKWT recruitment is listed in Inter-Office Mail Number 017/CEO-RSS/VI/2021 regarding Procedures for Recruitment of PKWT Workers dated June 19th, 2021.
- Memorandum of Head of Plantation Upstream Indonesia, Number: 287-HRM-i1-V-11. This procedure consists of carrying out a performance appraisal carefully, carefully and objectively, the final score and value of the evaluation, an appraisal letter and the submission of the results of the performance appraisal.
- PKB (CLA) for the period of 2023 – 2024 which has been ratified by the Head of Manpower and Transmigration Office on February 23rd, 2021. The document explains all aspects of labor regulations related to worker recruitment, promotion, transfer, demotion, retirement and termination of employment.

In the procedure, it is explained that the minimum age for workers is 18 years, recruitment information is carried out openly, recruitment is free of charge, there is no retention of workers' personal documents, and the mechanism for employee recruitment through the administrative selection stage, written test/field practice, interviews and medical examination results. Likewise, employee promotions are assessed through the stages of performance evaluation based on abilities, knowledge, cooperative initiatives, work ethics, responsibility, etc. In addition, pensions and layoffs for workers are carried out based on the applicable labor laws and regulations.

Based on interviews with workers, there is no recruitment process that burdens workers with recruitment fees and the certification unit also does not hold documents. The recruitment process has been carried out based on applicable procedures, workers send job applications and will then be selected based on the administrative selection stage, interviews, etc. Then the resource person added that the promotion/appointment of contract workers to permanent workers was assessed through performance evaluation. Then, if there are layoffs for workers, for example absent from work, the certification unit will provide a warning letter (SP) periodically before the end of their working period.

3.5.2

The CH has properly implemented the employment procedures & has managed the records. An example of the process for hiring workers has been shown which will be processed in December 2022. Prospective workers with the initials PS, a resident of the village of Siring Agung (the local village around the Company) submitted a job application to BPE on December 7 2022, complete with a photocopy of Family Card, ID card, Letter of criminal involvement, and self-portraits. Then it shows the process of submitting the person concerned to become a permanent employee of the harvest on January 9, 2023. In this process, there is a physical test and a probationary period, as stated in the CLA with permanent employee status.

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 identified activities cover all operational activities at the estate and mill, such as manual maintenance, chemical application, fertilizing, harvesting, transporting FFB, sorting FFB, and processing it into CPO and Kernel. 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 and Material Risk and OHS Analysis documents taking into account work accidents, the addition of new types of work or the use of new equipment/technology. The results of the document review revealed that OFI in previous audits had been included in the Company's HIRAC documents, such as monitoring fire towers, monitoring using drones, HGU boundary markers, wells, water pumps, and housing installations.

OHS Program

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

The Realization of The OHS Plan

- **Medical checkup:**
The CH shows PT BSC's MCU Plan for the 2023 period which has been known to the Company Doctor. It has been scheduled for an examination of all workers, whether exposed to chemicals or not, in October 2023. The results of interviews with doctors note that 2022 has not yet been implemented, because the government has not revoked the Covid-19 alert status. The government will revoke it in 2023. For special checks for those at high risk) have been carried out. For BPE, 75 workers have been carried out, SPE has been carried out by 101 workers, and factories as many as 33 workers.
- **Examination of OHS aspects:**
This includes checking the completeness of PPE regularly, checking fire extinguishers regularly, first aid kits including first aid bags regularly. There are daily, weekly and monthly checks. The official in charge is the secretary of the K3 Committee.
- **OHS Training and Outreach:** Routine briefings are carried out every morning. The themes discussed included the obligation to use PPE, safe working methods, handling work accidents, basic first aid training to outreach about the Covid-19 pandemic.

- **Work accident monitoring:**

The company conducts detailed investigations into work accidents that occur. A detailed investigation report has been shown for January 23, 2023, about being hit by a broken lawnmower blade. Related to work accidents are also reported regularly to the Office.

3.6.2

The CH conducts periodic management reviews, including those related to sustainability. One of them is plantation business monitoring activities carried out through RSPO internal audit activities. RSPO internal audit activities are carried out with a frequency of once a year according to Internal Audit procedures in document No. SCCS-IA/RSPO/PSOM/04 Revision 0.0 issue date 01 March 2018. The RSPO internal audit activity was carried out on 10 – 15 April 2023 with audit results finding 6 non-compliances, for example P&C 7.3.2 related to waste and waste management that is not in accordance with according to the applicable procedures, waste and burnt marks were found in the SPE and BPE units, the B3 waste has not been stored in a licensed B3 waste temporary shelter.

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, in the meeting on March 10 2023 at SPE which was attended by 10 P2K3 management. The meeting discussed among others the lack of awareness and culture of OHS. For the Sungai Pinang Mill OHS Committee, the meeting was held on March 3, 2023. It discussed, among other things, unsafe conditions, increasing the use of PPE, and adding lighting.

Status: Comply

3.7

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

3.7.1, 3.7.2

The CH already has a NADI application program, which is an employee-based personal application, where workers can actively submit training and training as needed. In the personal data there is a training record from the person concerned.

The CH also has a Minamas Plantation Training Calendar which contains training titles, groups participating in the training, implementation targets, and implementation time plans. Material syllabus has also been shown, such as basic plantation, Estate assistant training, factory assistant training, Head of Administration training, as well as general material. Records

have also been shown of the implementation of training and outreach both at the estate and at the factory. For example, the socialization of the SCCS training on March 14 2022 was attended by 13 participants.

For training/socialization programs for contractors and plasma farmers, there are company programs, one of which is the OHS program from the dept. for example, for plasma farmers it has been discussed in indicator 5.2.4. Meanwhile, the results of interviews with contractors showed that they had received socialization about company policies such as ethical policies, not employing children, and so on.

3.7.3

The unit of certification also presented Memorandum Number 002/PSQM-UM/II/2013 dated February 27th, 2013 regarding the RSPO Supply Chain System. The document describes the supply chain system for all Minamas Plantation management including PT BSC. In addition, it is also explained regarding the labeling of supply chain raw materials (FFB), supply chain products of CPO, PK and Shell.

In implementing the policies contained in the memorandum, the certification unit conducts training for personnel who perform important tasks for the effective implementation of SCCS such as weighing clerks, production clerks, bookkeepers, analysts, maintenance, grading foreman, security guards, etc. The SCCS training activity was held on March 24, 2023 and was attended by 15 workers by discussing several materials related to understanding procedures related to SCCS such as:

- Sources of FFB entering the certified and uncertified Sungai Pinang mills
- Provide certified and uncertified fruit stamps on the fruit delivery letter, and
- Conduct quality grading, processing and storage according to the SCCS model

From the description above, it can be concluded that the unit of certification has provided adequate training for personnel who perform important tasks for the effectiveness of SCCS implementation.

Status: Comply

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

The mill is receiving and processing FFB from certified and uncertified sources, hence, the RSPO SCCS Module E (MB) are applied.

3.8.3

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

Product	Last Year Projected Certified Volume (MT)	Actual production in last 12 months (May 2022 to April 2023 (MT)	Estimation for the next 12 months
FFB Processed	73,900	70,083.44	73,900.00
CPO Production	15,500	14,205.11	16,000.00
Palm Kernel (PK) Production	3,600	2,891.75	3,600.00

3.8.4

The Mill have been registered in RSPO IT platform with license id CB133649, RSPO member id: RSPO_PO1000000316, member name: PT Sime Darby Plantation – Sungai Pinang POM, PT BSC. All transactions also have been registered on RSPO IT Platform, including CSPK dan CSPO volume removed. Based on document verification, there's no certified product transaction on license period.

3.8.5

Sungai Pinang POM has had procedure for SCCS with MB or IP model in SOP Supply Chain (SCCS-Std/RSPO/PSQM/03 rev04 dated on 1 June 2020) which described the duties and responsibilities of each part; the identification of raw materials and products; and performs supply chain system. The procedures have explained related to the duties and responsibilities of each part. The manager has the highest authority to approve this manual which is integrated with the policy (policy).

Policies and procedures written and / or referenced in this document must be followed in order to achieve, maintain and ensure the quality of products produced by unit management, and meet customer requirements. Department of PSQM are responsible to conduct internal audit annually for SCCS and the Marketing Dept are responsible to validate the supplier/buyer and reporting/announce all the transaction to RSPO IT Platform. The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

Auditors conduct interviews with workers who are responsible for the delivery of certified products, namely weighing operators. Operator are able to explain the technical acceptance of certified FFB, sales of CPO/PK and also the reporting mechanism if there is an error in recording information.

3.8.6

Internal Audit procedure has been included on SOP of RSPO SCCS Manual – RSPO Supply Chain Certification Standard SCCS-Std/RSPO/PSQM/02 rev.01 dated on July 2nd, 2020 which describes Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. The latest audit of SCCS is conducted on 3 until 5 April 2023, there are no non-conformities related to supply chain aspect.

3.8.7

Sungai Pinang POM only received FFB from certified and uncertified, here's the detail:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Mei 22	6,013.07	144.90	6,157.97
Jun-22	7,119.61	35.34	7,154.95
Jul-22	2,188.63	4.15	2,192.78
Agus-22	7,565.54	47.61	7,613.15
Sep-22	6,583.53	66.20	6,649.73
Oct-22	6,507.52	51.67	6,559.19
Nov-22	5,846.58	50.83	5,897.41
Dec-22	6,753.09	54.57	6,807.66
Jan-23	5,123.75	38.83	5,162.58
Feb-23	5,008.17	37.16	5,045.33
Mar-23	6,383.47	27.77	6,411.24
Apr-23	4,990.50	38.84	5,029.34
Total	70,083.44	597.87	70,681.31

The auditor has verified FFB received records over the last 12 months, the total FFB certified received was 70,083.44 MT.

3.8.8

Based on document verification Mass Balance record period May 2022 until April 2023, there's no certified product transaction on license period.

3.8.9, 3.8.10 & 3.8.11

The processing operations are managed by the company itself by management, while third parties are given responsibility for the transportation of PK and CPO products. The company cooperates with third parties on behalf of CV Semangus Indah Express in the context of product transport activities to the buyer only sold conventionally. But based on document verification Mass Balance record period May 2022 until April 2023, there's no certified product transaction on license period.

3.8.12

Sungai Pinang POM has record of all CSPO and CSPK information, as well as presented in the table bellows:

CSPO

Period	CPO Production (MT)		CPO Delivery (MT)		
	Certified	Uncertified	Certified	Other Scheme	Conventional
Opening stock	1,032.79	-			
May 22	1,162.16	27.15	-	-	0
Jun-22	1,291.21	6.24	-	-	1,708.40
Jul-22	407.22	0.97	-	-	1,492.67
Agus 22	1,485.50	9.24	-	-	1,501.67
Sep-22	1,365.29	13.72	-	-	3,26.09
Oct 22	1,327.99	10.44	-	-	2,160.42
Nov-22	1,236.41	10.54	-	-	963.66
Dec-22	1,339.46	11.16	-	-	2,066.23
Jan-23	1,095.16	8.04	-	-	1,247.36
Feb-23	1,102.33	8.19	-	-	1,000.00
Mar-23	1,339.23	5.85	-	-	999.96
Apr-23	1,053.14	8.44	-	-	1000
Total	15,237.89	119.98	-	-	14,466.46

CSPK

Period	PK Production (MT)		PK Delivery (MT)		
	Certified	Uncertified	Certified	Other Scheme	Conventional
Opening stok	15.87	22.59			
May 22	245.04	5.73	-	-	62.52
Jun-22	284.12	1.37	-	-	296.04
Jul-22	73.84	0.18	-	-	346.01
Aug 22	277.03	1.72	-	-	102.40
Sep-22	292.96	2.94	-	-	254.60
Oct 22	287.03	2.26	-	-	367.08
Nov-22	247.68	2.11	-	-	286.92
Dec-22	277.73	2.31	-	-	116.64
Jan-23	216.44	1.59	-	-	362.05
Feb-23	217.54	1.62	-	-	326.80
Mar-23	273.86	1.20	-	-	159.80
Apr-23	198.48	1.59	-	-	247.31
Total	2,891.75	24.61	-	-	2,928.17

There's no CSPO and CSPK as certified product for 12-month period (May 2022 until April 2023).

3.8.13, 3.8.14 & 3.8.15

The mill has been defined the extraction rate dividing CPO or PK production by the total FFB process. Based on that explanation, extraction rate calculated by industry average. The implementation based on company procedures (Policy No. RSO/1.1/PD SOP, date 27 November 2017). The sounding process for quantity product calculation done by clerk administration every morning.

3.8.16

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

- Member Name: Sime Darby Plantation – Sungai Pinang POM, PT BSC
- Membership No.: 1-0008-04-000-00 (Sime Darby Plantation Berhad)
- Member ID: RSPO_PO1000000316
- License ID: CB133649

All transactions also have been registered on RSPO IT Platform, including CSPK dan CSPO volume removed. Based on document verification, there's no certified product transaction on license period.

3.8.17

Based on announcement and transaction report documents review, it concluded that all RSPO certified products submitted are in compliance with the RSPO Rules on Market Communications and Claims. Based on management representative interview and document review, the mill not use trademark on its sales activities and communication.

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 a policy to respect human rights which includes preventing retaliation against human rights defenders. The human rights policy is stated in the Sime Darby Plantation Code of Business Ethics policy document August 2020. The policy states that the certification unit is committed to human rights which includes the right to provide equal opportunities, the right to respect freedom of association, eliminate all forms of exploitation, ensure working conditions appropriate measures, improve occupational safety and health, respect community rights and indigenous peoples' rights, protect the rights of vulnerable people, protect children's rights and eliminate sexual violence and abuse. The policy applies to all people within the scope of work of the certification unit, which includes all workers, partners of the certification unit, and the community/community around the business operations.

The policy has been socialized in each plantation and mill unit, for example in the Sungai Pinang Estate unit on April 10, 2023, which was attended by 123 workers. The policy has also been socialized to local stakeholders, for example to teachers and elementary school students on April 27, 2023 which was attended by 36 people.

Based on interviews with representatives of labor unions, contractors, and village community leaders (Muara Rengas Village, Sungai Pinang village, Anyar village and Semangus village), it was found that there were no incidents of human rights violations in the certification unit, no workers were intimidated and/or subjected to violent treatment by the certification unit. The human rights policy also explains that the unit of certification does not tolerate retaliation against someone who discloses violations or allegations with good intentions.

4.1.2

The unit of certification has no record related to the use of force/mercenaries/paramilitary in resolving existing conflicts/problems between the unit of certification and workers or stakeholders. This is in line with the commitment of the certification unit as stated in the Sime Darby Plantation Code of Business Ethics Policy.

Based on the results of interviews with workers, representatives of labor unions, gender committees, contractors, local community leaders (Muara Rengas Village, Sungai Pinang village, Anyar village and Semangus village) and the Manpower and Transmigration Office of Musi Rawas District, it is known that there was no intimidation by the certification unit to workers or stakeholders. Then, the informant also added information that the certification unit did not use paramilitaries or mercenaries in the operational area of the certification unit. If there are problems, they will be resolved by deliberation without using violence. The resolution of conflicts/problems using this deliberation has been 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, 4.2.2, 4.2.3

PT BSC has a complaint mechanism and complaints are listed in several procedures, such as:

- SOP for Handling Public Complaints (SPO/6.3/PKM) with document number SOP/005/BSC/2016 No. revision 01/Rev/RSPO/P&C/PPK dated 1 November 2016. This procedure explains that public complaints can be submitted by telephone to the contact number provided in each unit.
- SOP for Handling Employee Complaints (SPO/6.5/PKK) with document number SOP/006BSC/2012 No. revision 01/Rev/RSPO/6.5/PKK dated 1 November 2012. The procedure specifies that public complaints can be lodged by telephone at the contact number provided by the assistant at each placement location.
- SOP for Handling Stakeholder Complaints No. 001 revision 0 dated 31 October 2020. The procedure aims to make the stakeholder complaint handling system (internal and external) understandable to stakeholders, including those who are illiterate. The procedure explains that the company provides illustrative information regarding filing complaints.

The mechanism has explained the person in charge of receiving and resolving complaints (external and internal officers including HRD), response time, confidentiality of the reporter and whistleblower, to further complaint handling which is possible up to the tripartite level. (Mediation and settlement by the government). Procedures are available in Bahasa Indonesia and if there are grievances/grievances that have not been collectively resolved, the complainants can bring the compliance to the RSPO Complaints System.

Based on interviews with agencies in Musirawas District show that they understand how to communicate and consult with companies. And then, from the results of interviews with representatives of the surrounding community, the community already knows about the procedures for communication and to the person who serves as a communicator between the company and the community so that people who cannot read/write can be informed by the relevant communicator. Another way for stakeholders who are illiterate is to put up posters in areas that are often accessed by the public. The poster/illustrated message is designed to be easily understood by all the public.

The results of the document review, in semester 2 of 2022 and early 2023 found no complaints from external stakeholders. For communications from external parties usually contain a request for assistance. For complaints from internal parties, there are several well-documented complaints and their responses. Complaints that were submitted and recorded were complaints regarding the condition of the workers' houses which were damaged, but these were resolved properly so that there were no additional complaints regarding the same object. All of the complaints mentioned above have been thoroughly resolved by the company by showing evidence of settlement in the form of documentation and direct responses regarding complaints received from external and internal parties. This is supported by the results of interviews with workers who stated that the company always records all complaints submitted by workers and within a reasonable period of time these complaints have been resolved properly.

4.2.4

PT BSC has a conflict resolution mechanism listed in the Conflict Resolution SOP document No 056/BSC-PK/C12 dated 1 May 2012. The SOP describes the conflict resolution mechanism and the person in charge for conflict resolution. In addition, the SOP also states that if there is a conflict that cannot be accepted by the parties, then in order to get justice, the problem will be forwarded to the authorities (Police and Court).

The results of interviews with management obtained information that if there is a conflict, then the complainant can ask for legal assistance from an independent party or appoint a mediator to mediate.

Status: Comply

4.3

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

The company has a CSR program in the "CSR Program Period 2022/2023" document. In this program, the company plans social programs that support the welfare of the surrounding community, for example:

- Road Repair in Anyar Village.
- Giving Sacrificial Cows (*Qurban*).
- Providing assistance for religious celebrations.
- Providing scholarships to the local community.

The company has also developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance

with the location permit issued on April 6, 2015. Due to the location permit having expired on April 6, 2018, the company re-applied for the extension of the plasma location permit on April 20, 2022. The latest information, the application for extension of plasma location permit has been submitted through the OSS system on July 16, 2022.

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

The CH has had documents showing legal ownership in form of Land Use Right (HGU). Currently, the operational area that has HGU is 6,513 hectares in accordance with the Decree of the Minister of State for Agrarian Affairs/Head of the National Land Agency No. 17/HGU/BPN/99 concerning the Granting of HGU on Land Located in Musi Rawas District, Sumatera Selatan Province, which was issued on February 23, 1999. The company also showed HGU certificate No. 7 for a land area of 6,513 Ha which was issued on June 12, 1999 by the Head of the Land Office of Musi Rawas District based on the Letter of Measurement No. 3/MURA/1999. The certificate is valid until June 11, 2034.

In addition, company also has business permit in form of Plantation Business Registration Letter No. 105/Mentanhut-VII/2000 from the Ministry of Forestry and Plantations of the Republic of Indonesia issued on October 9, 2000. The permit cover 6,135 ha of company operational area and mill capacity 30 ton/hour. Based on throughput records to period May 2022 – April 2023 is 24.01 ton/hour (below permit).

4.4.2

The company can show documentary evidence of land acquisition that has been carried out in the HGU area of PT Bina Sains Cemerlang, for example:

- The company shows a recapitulation of compensation in the Sungai Pinang area for the period 1990 to 1999. For example, the compensation dated October 15, 1999 covering an area of 203.5 ha and has been paid the total and signed by the Head of Sungai Pinang Village, Head of Anyar Village, PT Bina Sains Cemerlang and the Head of Muara Lakitan Sub-district. A map of the area and the names of the landowners located in Sungai Pinang are available.
- Decree of the Minister of Forestry No. 456/KPTS-II/1990, August 24, 1990, concerning the Release of Part of the Sungai Jernih – Sungai Pinang Besar Forest Group located in the Level II District of Musi Rawas, Sumatera Selatan Province covering an area of 10,600 Ha for Oil Palm Cultivation Business on behalf of PT Bina Sains Cemerlang.

4.4.3

Based on the Musi Rawas District Consensus Forest Use Map, the oil palm plantation area of PT BSC is included in the Convertible Production Forest and part of the Other Use Area (APL). Then based on the weighing section on the Decree of the Head of BPN concerning the Granting of HGU No. 17/HGU/BPN/99, it is known that the land area of 6,513 Ha consists of land controlled by the State outside the forest area of $\pm 3,600$ Ha and an area of $\pm 2,919$ ha is land of former forest area which has been released to the State based on the Decree of the Minister of Forestry dated 24 August 1990 No. 456/Kpts-II/90 covering an area of $\pm 2,188$ Ha (part of the area released is $\pm 10,600$ ha) and based on the Decree of the Minister of Forestry dated January 14, 1998 No. 456/Kpts-II/90. 36/Kpts-II/1998 covering an area of ± 731 ha. Nothing comes from customary/ulayat land from customary law communities.

The results of the consultation with the District BPN (*Badan Pertanahan Nasional*) also obtained information that the company's location was in accordance with the local RTRW (*Rencana Tata Ruang Wilayah*).

4.4.4

In the records of land compensation that was carried out before 1999, all records were made in Indonesian, clear proof of payment and signed by both parties between the company and the land seller (local community) without coercion.

4.4.5 & 4.4.6

The company tries to provide examples of latest land acquisition activities that have followed FPIC procedures, for example the company can show documentary evidence of land acquisition that has been carried out in the HGU area of PT Bina Sains Cemerlang, for example recapitulation of compensation in the Sungai Pinang area for the period 1990 to 1999. For example, the compensation dated October 15, 1999 covering an area of 203.5 ha and has been paid with a

total compensation of Rp. 161,350,000,- and signed by the Head of Sungai Pinang Village, Head of Anyar Village, PT Bina Sains Cemerlang and the Head of Muara Lakitan Sub-district. A map of the area and the names of the landowners located in Sungai Pinang are available. The company has not cleared any new land right now, the latest acquisition done on 1999.

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 change from the previous assessment. The company has not carried out any new planting's activities. Based on document review and field observations, plants with planting years above 2010 are replanting.

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

In order to identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, the company using "SOP *Penyelesaian Konflik* (RSPO/2.2/PK)" dated 1 November 2012, which is the process for resolution available in flow chart. FPIC process is described in the procedure. The procedure compiled by PSD with reference to the land compensation standards issued by local Government.

The mechanism to identify and compensation procedure were carried out by forming team consisting of community leaders, company and government representative and price were determined based on negotiations. Based on document review (same evidence with summary of indicator 4.4.5) Land conflict resolution has been settled and completed with evidence, such as:

- Invoice of compensation payment
- Land release agreement
- Acknowledgement letter that states no conflict
- Photos of compensation handover.

Based on interviews with Village Representatives (Sungai Pinang, Muara Rengas, Anyar and Semangus Baru), information was obtained that there is no company plantation land originating from customary land rights.

4.6.2

Based on the management's explanation and a review of the land compensation procedure, the company always refers to the local government regulations and will update it in accordance with the existing office regulations in government.

Same as indicators 4.6.1 statement, the mechanism to identify and compensation procedure were carried out by forming team consisting of community leaders, company and government representative and price were determined based on negotiations.

4.6.3

Currently there are no scheme or independent smallholders in the of the company. The company has developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance with the location permit issued on 6 April 2015. Due to the expiry date of the location permit on 6 April 2018, the company re-apply for the extension of the plasma location permit on 20 April 2022. The latest information, the application for the extension of the plasma location permit has been submitted through the OSS system on July 16, 2022. During ASA 2.1 activities the company shows the progress of preparing plasma plantations:

- The meeting on 28 September 2022 involved Anyar Village, Muara Rengas, Semangus Baru and Sungai Pinang Village.
- Document application for extension / renewal of location permit dated 12 October 2022 to the Licensing Service

(PTSP) of Musi Rawas District.

- Documentation of the pilot for the northern boundary of the plasma plantations has been carried out from 19 – 25 September 2022.
- Decree of the Head of Sungai Pinang Village no 141/21/KPTS/TD-SP/2022 dated 6 September 2022, regarding the determination of the village team for the development of plasma plantations and the preparation of a time line for the development of plasma plantations.
- There is a Minutes of deliberation meeting to follow up on the development of plasma plantations on September 5, 2022 in the Sungai Pinang village building.

Until the ASA 2.1 audit was carried out PT BSC's plasma plantation was still in the discussion and mediation stage by involving the local community in determining the area of the plantation according to the administrative area of each village. In addition, the arrangement for location permits is still ongoing awaiting the regional determination of each village.

The company has developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance with the location permit issued on 6 April 2015.

4.6.4

Based on interview with Community Leader in (Sungai Pinang, Muara Rengas, Anyar and Semangus Baru) who was also one of the previous land owners, 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.

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

The procedure for compensation for the purchase of land is also contained in the SOP for Conflict Resolution (054/BSS-SOP) dated 8 May 2015. The procedure also explains the identification, calculation and compensation for the loss of legal rights and traditional rights for each landowner who is entitled to be compensated.

4.7.2

The procedure also explains that the payment of compensation is fair without harming one party. Based on that procedure verification, that during the compensation process for growing plantings for community arable areas, the company carried out a mechanism of negotiation without coercion, joint measurement, deliberation on price fixing involving the relevant agencies and payments to the direct owner or a designated group representative. The procedure has implemented FPIC principles, where the compensation process will not be carried out without the agreement of both parties.

4.7.3

The company can show recapitulation of previous landowners who have been compensated. Compensation is only made for the area within HGU areas owned by the company and was completed. The certificate holder has no expansion area for new planting area (no compensation for area outside HGU).

Based on public consultation with village representatives from (Sungai Pinang, Muara Rengas, Anyar and Semangus Baru), the communities that have lost access and rights to land also provided opportunities to benefit from plantation development such as benefit in the form of CSR program, become employee and become a contractor in 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

Currently there is a land dispute in the company's operational area, which has not been resolved. The conflict between the company and the community of SP 5 Suka Maju Village in Block E17 since October 15, 2019. According to the

company, the land has been acquired through the compensation process in accordance with procedure, and the evidence has been shown. The two parties mediated with the government of the Plakat Tinggi and Muara Lakitan Sub-districts, but because there was no agreement, both parties took legal action, and are currently under investigation by the Musi Rawas Police. Follow-up related to this will be observed in the next assessment.

Based on the explanation above, it can be proven that the company previously had legal land rights and was recognized by the government, in good faith the company tried to accommodate the claims of the plaintiffs and involved the government to prove that land rights were clean and clear. Base on occupation area block I008 Division 2 the occupation area is not managed by the company and is managed by the community.

4.8.2

Regarding the conflict described in indicator 4.8.1, it has referred to a government regulation which is still waiting for confirmation from the Musi Rawas and Musi Banyuasin District Governments regarding the overlay of the HGU map with the plaintiff's SHM.

4.8.3

Based on the company's explanation as well as the Head of Land Procurement Section of BPN Musi Rawas, the company has carried out the previous land compensation process according to government regulations and is proven by the acquisition of land rights recognized by the government.

4.8.4

Regarding the participatory map, it is currently still under review by the relevant agencies, because there are differences in maps between the plaintiff and the company.

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

Currently the company only accepts FFB from PT DAL and KKPA PT BSC. For FFB purchased from PT DAL, the price value determined refers to the Cooperation agreement letter in the "Sales and Purchase Agreement for Oil Palm Fresh Fruit Bunches" (No. 01/OCP/BSC-DAL/III/2022). FFB pricing is calculated based on a formula that has been mutually agreed upon by considering the value of OER, KER and also the selling price of CPO/PK. The price of FFB is paid according to the market price set by the first party on a weekly basis not exceeding the price issued by the Plantation Service of the Province of Sumatera Selatan for the age of 10-20 years of oil palm in accordance with the month of delivery of FFB. For the smallholder, the determination of the price of FFB purchased refers to the provisions contained in the Regulation of the Minister of Agriculture regarding the Guidelines for Determining the Purchase Price of Fresh Fruit Bunches for Palm Oil Production by Smallholders.

5.1.2

Based on the results of interviews with FFB suppliers (PT Daya Agro Lestari), it is known that the company as the FFB buyer always informs the FFB price to the supplier on a regular basis, either via telephone or multimedia message.

5.1.3

Based on the explanation in indicator 5.1.1, the FFB price is paid following the market price set by the first party on a weekly basis, not exceeding the price issued by the Sumatera Selatan Province Plantation Service for the age of 10-20 years of oil palm in accordance with the month of FFB delivery.

5.1.4 & 5.1.8

The company has developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance with the location permit issued on 6 April 2015. Due to the expiry date of the location permit on 6 April 2018, the company re-apply for the extension of the plasma location permit on 20 April 2022. The latest information, the application for the extension of the plasma location permit has been submitted through the OSS system on July 16, 2022.

5.1.5

Based on the results of interviews with contractors PT Putra Sungai Gelam, it is known that the company has provided opportunities for the community around the company to cooperate in the company's operational activities by becoming a contractor. In addition, it is known that the cooperation with the company has been well established and transparent. So far, it is also known that there are no problems with the term of the agreement, as well as an agreement that does not benefit either party.

5.1.6

The auditor verified the proof of FFB payment for the April 2023 sample, it was found that the FFB price paid did not exceed the May FFB price (Period II) issued by the Plantation Service of Sumatera Selatan Province in April 2023. Based on consultation with PT Daya Agro Lestari (FFB Supplier), there's no negative issue related to contractor agreement realization.

5.1.7.

The certification unit showing certificate test result number 335/Disperindag/IV/2022 dated 30 November 2022 with a validity period until November 2023 for weighbridges type Mettler Toledo/IND560/651531090, from the Department of Commerce and Industry of Lubuklinggau City. The third party stated the test results, "Legally on 2021 according to the law of Republic Indonesia No. 2 of 1981 concerning Legal Metrology". With the calibration evidence, the company has shown evidence that the weighing equipment used to weigh FFB from outsiders is minus indications of fraud.

5.1.9

The company has had SOP related to complaint mechanism in SOP *Mekanisme Penanganan Keluhan/Konsultasi Bagi Semua Pihak & Masyarakat*, established on 7 October 2015. The purpose of the SOP is to complete every internal and external complaint both quickly and well and to create a safe and prosperous atmosphere within the company and surrounding communities. In the SOP it explains objectives, responsibilities, procedures, documentation and exceptions. The period of complaint settlement is 2 weeks for each part. Based on document review of complaint book, there is no complaint from contractor or vendors, this is in line with the results of interviews with stakeholders.

Status: Comply

5.2

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

5.2.1, 5.2.2, 5.2.3, 5.2.5

The company has a program related to increasing the knowledge of local farmers on sustainable palm oil management which is contained in the PT Bina Sains Cemerlang Social Impact Management Plan for the 2023 Period. The document informs the activity plan by conducting socialization and education to farmers around the plantation which aims to provide benefits and advantages to those related knowledge and implementation of plantation management. Sustainable management, such as maintenance management, harvesting, waste management and also land legality. The activity plan is scheduled twice a year with the target of farmers in Sungai Pinang Village, Anyar Village, Muara Rengas Village and Semangus Baru Village. This program also involves affected parties based on meetings with representatives from each village.

The company has developed a plasma plantation program, with a planned plasma area of 1,350 ha in accordance with the location permit issued on 6 April 2015. Due to the expiry date of the location permit on 6 April 2018, the company re-apply for the extension of the plasma location permit on 20 April 2022. The latest information, the application for the extension of the plasma location permit has been submitted through the OSS system on July 16, 2022. Related to the development of plasma plantations which are currently still in the process of legality management has been reviewed on social and environmental impacts reports in 2022.

5.2.4

The company provides training activities for plasma farmers such as training examples with refresher topics on fertilization on November 22 2022 attended by 11 participants, integrated pest management on March 14 2023 attended by 13 participants, and harvesting training on May 2 2023 attended by 16 participants.

Status:

PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS
6.1
Any form of discrimination is prohibited.
6.1.1

The CH already has a policy regarding equality of opportunity and treatment in employment opportunities, which is listed in the Guidelines for Sustainable Plantation Management Sub-Social Policy at point 1 (No. Policy 724/TQEM-SPMS/09 dated 27/08/2010). At this point it is explained that all staff/employees must be treated fairly and fairly in matters relating to recruitment, advancement, working conditions and descriptions, regardless of race, degree, ethnicity, gender, skin color, imperfection (disability), sexual orientation, Company membership, political views, religion and age.

The results of interviews with workers (harvesters, sprayers, and factory operators) during field visits in each unit, interviews with bipartite representatives and representatives of the gender committee also obtained information that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the job acceptance process.

The results of the review of manpower documents prove that the unit of certification does not discriminate and treats all workers equally, along with the evidence that the company can show:

- Composition of workers consisting of various ethnicities, religions, genders and origins of workers. The existing workforce does not only come from one area but comes from several areas spread throughout Indonesia such as Java, Sumatra, Kalimantan and others.
- Recruitment of workers based on the results of selection, assessment of performance, ability, medical eligibility and skills of workers.
- During the audit, the company did not have any AKAD (Inter-Regional Labor Force) workers.
- Currently, most of the workforce are migrants and local people who make up the majority of the workforce in the operational scope of the certification unit.
- Placement and training of workers is carried out in accordance with their expertise/type of work, such as prospective sprayer workers being placed as sprayer workers and receiving regular training on handling and managing pesticides.
- Women workers are given the same rights, wages and opportunities to get promotions as male workers who do the same type of work, for example there are several maintenance foremen who are women workers.

Based on the results of interviews with workers (harvesters, fertilizers, sprayers, and factory operators) it is known that workers have never felt that the certification unit discriminated against them since last year until now. This is because all activities ranging from recruitment, performance appraisal, promotion and unionization, every worker is given equal opportunities regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, union membership, affiliation politics, or age. There is no difference in communication between superiors and workers because of the matters mentioned above, so that workers do not feel ostracized or discriminated against by superiors. This resulted in the absence of discrimination issues from last year to the present.

This explanation can conclude that the company has treated all workers equally without discrimination based on gender, ethnicity, religion, health condition or other.

6.1.2

The results of field observations of plantations and POM, interviews with representatives of management and workers, as well as review of estate and POM employee data documents, it is known that there are no migrant workers working in the company.

6.1.3

There is evidence that PT BSC conducts recruitment selection for job offers, for example, as follows:

- Job vacancies as employees of Sungai Pinang Factory, March 18, 2023.
- Reporting and notification of job vacancies at PT BSC to the Office of Manpower and Transmigration on 18 March 2023.
- MFI job application as safety officer, April 1, 2023.
- Invitation for tests and interviews, April 4, 2023 to MFI.
- A Health Certificate for prospective workers with the initials MFI issued by the SPE Central Clinic and declared healthy.

- Competency based interview with initials MFI on 05 April 2023.
- Written test for PKWT – PKWTT MMFI employee candidates on 05 April 2023.
- Call for work to MFI on April 5, 2023, because based on the test results it was declared passed.
- PKWT letter with the initials MFI, dated April 6, 2023, with a term of up to April 5, 2024.

6.1.4

Representatives for The CH explained that the pregnancy test was not conducted for discriminatory purposes. Pregnancy tests for workers are carried out every month 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 still equal in terms of wages and other benefits, so there is no discriminatory action.

This is in accordance with the results of interviews with female workers at SPE, that female workers carry out monthly pregnancy tests at the clinic to ensure that no female workers work with chemicals while pregnant/breastfeeding. During pregnancy and breastfeeding, they are transferred to jobs that are not related to chemicals, do not endanger the womb, and are close to housing, so they can breastfeed as needed.

6.1.5

A gender committee has been formed and is still active today in the company which is chaired by the committee chairman and coordinators in several divisions and there are representatives in each unit.

The gender committee structure does not only consist of female workers but also includes male workers, as follows:

- Chair: Susilawati H
- Deputy Chairperson: Yanti Puspita
- Secretary: Maya Herawati
- Complaints Section: Emilia, Susilawati, Rosliana, Robi, Zaenal Abidin, Nurdin
- OHS and Welfare Section: Yani C, Tarina, Fauzan, Syahrul A, Asnawi
- Social Section: Sutimah, Sri Sukanti, A Syaiful, Waison, Sugianto, Sunardi

The main objective of establishing a gender committee is to provide a forum that can accommodate workers' (especially women's) aspirations/complaints, as a company partner in carrying out socialization activities related to gender and other policies related to workers' reproductive rights. In carrying out its activities, the gender committee always cooperates with trade unions so that the socialization of matters related to women's rights can be conveyed properly and there is no discrimination in terms of gender.

The results of interviews with workers at the estate and POM found that the existence of a gender committee was known to the workers, because the management had routinely socialized it. For example, socialization at BPE was carried out on January 6, 2023 which was attended by all workers during the morning assembly. From the interview results it was also known that there were no complaints related to gender such as domestic violence, sexual violence, and other sexual harassment.

6.1.6

The CH has carried out the payment of equal wages, taking into account the 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 load/task/type of work of each. Based on the salary of employees working for May 2022, it is known that workers get a salary with a value that is in accordance with the minimum wage. The minimum wage refers to the Internal Office Mail number 007/HRM-i5.1/SUSU/II/2023 dated 02 January 2023, concerning the Structure and Scale of Wage for PT BSC SKU Workers in 2023. In the IOM it is known that the lowest level of worker is a class H permanent worker and the highest is class A8. Classification is based on competence and length of service, not because of gender or regional origin, or other reasons of discrimination. Decree of the Governor of Sumatera Selatan number 908/KPTS/DISNAKERTRANS/2022 dated December 6, 2022, regarding the 2023 Musirawas UMK of Rp. 3,536,218, -. Based on this, it is known that the wage for the lowest class is in accordance with the UMK Musirawas that has been determined.

Some for several employees with different classes and work experience earn different amounts of salary based on ability, attendance and work performance. This is consistent with statements from workers interviewed with types of work as

harvesters and sprayers who have the same type of work but have different pay scales based on performance, length of service in the company, productivity and other factors.

In addition, based on the results of interviews with estate workers and POM, it is known that workers already know that there is a wage scale structure for each level of workers and this is evidenced by differences in monthly wage income. Shown on the pay slip. The monthly wages received are in accordance with the grade each worker has and so far there have been no complaints/errors regarding this matter.

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

Documentation of wages and working conditions in accordance with labor regulations in the National Language is available. The CH has carried out payment of wages by considering 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 load/task/type of work of each. Based on the salary of employees working for May 2022, it is known that workers get a salary with a value that is in accordance with the minimum wage. The minimum wage refers to the Internal Office Mail number 007/HRM-i5.1/SUSU/I/2023 dated 02 January 2023, concerning the Structure and Scale of Wage for PT BSC SKU Workers in 2023. In the IOM it is known that the lowest level of workers is group H permanent workers and the highest is group A8. Classification is based on competence and length of service, not because of gender or regional origin, or other reasons of discrimination. The company also has a CLA with the company. The CLA has also discussed wages and wages according to the applicable UMK. Decree of the Governor of Sumatera Selatan number 908/KPTS/DISNAKERTRANS/2022 dated December 6, 2022, regarding the 2023 Musirawas UMK of Rp. 3,536,218, -. Based on this, it is known that the wage for the lowest class is in accordance with the UMK Musirawas that has been determined. The results of interviews with estate workers and POM when field observations were carried out, it was found that the workers had understood the provisions for paying wages. Regarding the previous OFI, the Company has implemented the distribution of rice in the form of money based on the number of dependents or number of families. So each worker receives a salary/wages according to the UMK, along with additional rice money, and other allowances/premiums according to the type of work and expertise. So OFI has been fulfilled.

6.2.2, 6.2.3

The CH has a CLA for the period 2022 – 2024 made in Indonesian that details wages and work conditions, such as working hours, overtime, sick leave, and leave. For example, the discussion on wages contained in article 5 has discussed PHT and Monthly Workers are given a UMK wage plus a natural allowance of 15 kg of rice. The wage structure and scale refer to PP 36 of 2021, and is paid no later than the 10th of each month.

The CH also shows compliance with regulations, including the following:

- Salary slips for March 2023 for workers with the initials Prd, engine room operator status, with a basic salary of Rp. 3,631,218 with overtime Rp. 3,003,464, social security, and BPJS Health. There is information on the remaining leave, then social security deductions, BPJS Health deductions, and others.
- March 2023 salary slip for workers with initials AS, Security status, with a basic salary of Rp. 3,638,208 with overtime Rp. 2,866,230, social security, and BPJS Health. There is information on the remaining leave, then social security deductions, BPJS Health deductions, and others.

6.2.4

The CH has provided welfare facilities to residents in the form of housing, clinics, clean water, electricity, education, transportation and other facilities. The results of field observations in housing show that workers are provided with adequate housing facilities with 2 bedrooms, 1 bathroom and a daycare facility. The house is occupied by 1 family and specifically for unmarried workers, 1 house will be filled by 2 workers. This is in line with the results of interviews with housing residents who stated that the facilities provided by the unit of certification are houses, electricity, availability of clean water, school transportation, schools, day care centers, places of worship (mosques & churches), sports. Facilities and others. In general, the facilities provided by the certification unit are good/appropriate for use by workers and their families.

The company has compliance with the provision of clean water for employees which is available throughout the year. The auditor has conducted field visits to housing where the water pump machine is in good condition and can be used to collect water from the holding pond used for clean water in employee housing.

The unit of certification has also monitored the eligibility conditions of the facilities provided every year, such as housing that is repaired if there is damage (usually if there is damage the worker will inform and will be handled directly by the repair company), the availability of electricity that has been provided by the generator company, and the availability of clean water whose feasibility is always monitored (results of monitoring clean water in residential areas). Does not show the test parameters that exceed the threshold).

6.2.5

The CH has made it easier for workers and their families to obtain food sources by providing an employee cooperative that sells workers' daily needs and providing access to vegetable traders to sell in workers' housing areas. Apart from that, there are also workers who open small business stalls to sell daily needs in every housing complex.

Based on interviews with workers (harvesters, sprayers, maintenance and factory operators), housing residents, trade unions and gender committees, it is known that workers do not experience difficulties in obtaining food sources because the company has provided cooperatives that sell daily needs and the presence of vegetable sellers is given access to selling at home. In addition, workers can buy these needs at markets around the company area with easier access.

6.2.6

In Indonesia there is no set living wage standard, so the unit of certification still applies the national minimum wage for all workers. In addition to the payment of the minimum wage, the unit of certification has carried out an assessment of the applicable wages and benefits provided to workers in the unit of certification in line with the RSPO Guidelines for Implementing a Living Wage.

Based on field observations, it was revealed that they had provided non-financial benefits to workers, such as housing, water, electricity, medical treatment and school buses, with a value of Rp. 1,455,287, -

The unit of certification has conducted an assessment of the applicable wages and all kinds of allowances which are included in the calculation of wages, food costs, housing facility costs, non-food costs, non-housing costs, and other costs. From the results of these calculations, it is known that there is a positive variance between the Musi Rawas District minimum wage and the wages received by company workers (current wages and benefits in kind).

6.2.7

The CH still has non-staff workers with the status of Contract Workers (PKWT) and Permanent Workers (SKU-H and SKU B). All rights for each employment status have been differentiated. For workers with contract status for contract status (PKWT), the unit of certification also registers these workers with the Musirawas District Manpower and Transmigration Office. For example, on February 16, 2023, 9 PKWT compound workers had been registered at the SPF.

Based on the document review, it is known that there are no PKWT in SPE and SPF for work related to production. Meanwhile for BPE, based document review for the period April – May 2023, it is known that BPE has 26 harvesters with PKWT status. Based on the results of interviews with management representatives, it is known that the twenty six players have received central management approval to become SKUs on May 13, 2022, and will be appointed in June 2023. A written commitment has also been shown from the company for appointment as PKWTT on June 1, 2023. Based on this Accordingly, companies are encouraged to ensure that all harvesters have PKWTT status in accordance with the plans that have been set. This is an opportunity for improvement (OFI) for the company.

Based on interviews with spray workers, harvesters and factory operators found that workers understand the recruitment system and worker status. These processes are stated to be quite fair and provide equal opportunities to work according to the abilities, skills and achievements of workers during the contract period. In terms of wages, it is in accordance with minimum wage standards and workers have also received BPJS and PPE from the certification unit.

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 CH has a policy regarding the formation of an organization or union which is contained in the Social Policy document in SOP for Sustainable Plantation Management No. Policy: 724/TQEM-SPMS/09 No. Revision 00 dated 27 August 2010 was approved by the CEO. In policy point 5 it is explained that the unit of certification is committed to respecting the right of every staff/employee to form and join a trade union of their choice and to negotiate collectively.

The CH has a labor union as a forum for workers to express their aspirations to the unit of certification. The following is the document on the formation of a Workers' Union that has been reported to the Musi Rawas District Manpower and Transmigration Office, namely:

- Proof of registration for PUK SPPP SPSI SPE unit of PT Bina Sains Cemerlang with registration number 560/58/Nakertrans/SP/2014 dated 4 August 2014.
- Proof of registration for PUK SPPP SPSI BPE PT Bina Sains Cemerlang unit with registration number 590/19/Nakertrans/SP/2012 dated 12 January 2012.
- Proof of registration for PUK SPPP SPSI unit SPF PT Bina Sains Cemerlang with registration number 560/70/Nakertrans/SP/2016 dated 26 January 2016.

Based on the results of interviews with representatives of trade unions, it is known that trade unions hold regular internal and bipartite meetings with the unit of certification, one of which is to discuss settlement of complaints from workers. In addition, informants also stated that workers can submit complaints through the trade union. If there is a dispute in the employment relationship between the worker and the unit of certification involving the trade union, the union will be responsible for resolving the problem.

6.3.2

The CH also showed documents of trade union meetings and certification units at bipartite meetings which were presented in Indonesian. For example, in the minutes of the LKS Bipartite meeting on 05 April 2023 which was attended by representatives of trade unions and certification unit staff. The activity discussed the calculation of the bonus formula, retirement age, severance pay, and leave.

Based on the results of interviews with trade union representatives and their members who are workers in each unit, it is known that LKS Bipartite meetings between workers' representatives and management representatives are held regularly. From the results of interviews and document review, it is known that there are no labor problems.

6.3.3

The CH does not interfere in selecting or organizing trade union activities. The results of interviews with workers and trade union representatives revealed that in the selection/decision-making process and activity planning, members provide input/aspirations to their respective representatives. Workers who currently serve as Chair of the Labor Union are security guards at the plantation and Payroll at the SPF, so there will be no conflict of interest with the company.

Based on interviews with representatives of trade unions it is also known that the company has given freedom of association and currently a trade union has been formed. The formation of a workers' union is in accordance with the applicable laws and regulations and has been registered with the Manpower Office. The unit of certification provides freedom for workers to express their opinion and also the unit of certification does not provide any intervention related to trade union activities.

Status: Comply

6.4

Children are not employed or exploited.

6.4.1, 6.4.2, 6.4.3

PT Bina Sains Cemerlang already has a policy regarding age requirements for workers. This policy is listed in the Guidelines for Sustainable Plantation Management, namely in the Social Policy sub-point, point 6 (No. Policy: 724/TQEM-

SPMS/09, dated 27 August 2010). At this point it is explained that Plantation Upstream Indonesia does not employ underage workers (children).

The results of verification of the labor list documents at the SPF found that there were no workers under 18 years of age. The youngest worker is 19 years old. Based on field observations and interviews with workers at SPE, BPE, and SPF, it is known that the minimum age for work is 18 years, and there are no workers below the specified minimum age. A review of employee data documents for May 2022, it is also known that there are no workers under the age of 18.

The company showed an example of an SPK that contained a clause regarding the prohibition of child labour, forced labor and workers from trafficking in humans, including work agreement letter number 005/RumahBSC-SPF/II/2023 dated 9 January 2023 between PT BSC and CV Putra Sungai Gelam which regulates, among other things, technical work and compliance with labor regulations such as not hiring underage workers, wages, BPJS employment payments, and the provision of appropriate PPE.

6.4.4

The unit of certification can show examples of socialization of Social Policy related to the prohibition of employing minors to the parties, for example the socialization at the BPE unit on January 10th, 2023 which was attended by 45 workers. In addition, the certification unit has warnings regarding the prohibition of child labor and the prohibition of children being installed around plantation and mill areas.

Status: Comply

6.5

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

6.5.1

The company has a social policy that is documented in SOP for Sustainable Plantation Management No. 724/TQEM-SPMS/09 No. Revision 0.0 dated 27 August 2010. Chapter 1 point 4 explains that companies will develop and implement policies to protect women workers from crimes and sexual harassment and protect rights related to women's reproduction.

The company's efforts to ensure that the policy is implemented, namely by working with the gender committee for socialization activities regarding worker protection and women's rights and there is a clear reporting and complaint handling mechanism. The results of interviews with female traffickers revealed that socialization regarding harassment/threats/torture was carried out every morning before starting work. The results of interviews with spraying workers revealed that pregnant or breastfeeding female workers were prohibited from working with duties related to chemicals and transferred to other jobs that are considered lighter.

As a result of public consultations with representatives from the Gender Committee and the Musi Rawas District Manpower and Transmigration Office, information was obtained that there were no employee complaints regarding harassment/threats/abuse or violations of women's reproductive rights.

6.5.2

Besides the policies mentioned in 6.5.1, the company has a Gender Policy which was signed by the Head of Indonesian Upstream Plantation in April 2011 which describes giving special attention to the rights of women workers such as preventing sexual harassment and other forms of crime against women, establishing procedures and special mechanisms for grievances, provision of adequate training and development for workers to increase awareness and understanding regarding gender equality, etc.

The results of interviews with female workers revealed that workers who had just given birth were given special breaks for breastfeeding and the company had child care facilities for employees' children when their mothers were at work. In addition, based on interviews with officers in the field, information was obtained that female workers can apply for menstruation leave, which is preceded by a doctor's examination. Maternity leave is also given to female workers in accordance with applicable regulations.

6.5.3

The certification unit's gender committee identifies the needs of pregnant women in routine meeting activities. The socialization activity carried out by the gender committee was last carried out on April 27, 2023 with the topic of

socialization regarding children's health and education, fulfillment of child nutrition, provision of vitamins, as well as discussions regarding meeting the needs of pregnant women and breastfeeding mothers. The form of follow-up to fulfilling the needs of pregnant women and breastfeeding mothers that has been carried out by the company is by imposing a ban on working with duties and functions related to chemicals and being transferred to other jobs that are considered lighter and providing special rest periods for breastfeeding mothers to breastfeed their children. Apart from that, routine pregnancy checks are also carried out for female workers who work with chemicals to detect pregnancy as early as possible for these workers.

Based on the results of interviews with clinical medical officers Sungai Pinang Estate and representatives of the gender committee, information was obtained that the company had identified the needs of mothers who had just given birth by asking for their opinion. For example, according to the minutes of events dated February 6, 2023, with the following results:

- Ask for special rules and times for breastfeeding workers.
- Ask to be provided space for pumping and storing breast milk.
- Asking for help with formula milk as auxiliary milk when the mother is working.
- For workers related to chemicals, they are transferred to jobs that are not related to chemicals.
- Ask for a refrigerator to be provided at the daycare.

Based on field observation on Housing Complex division 2 & 3 Bukit Pinang Estate and interview with workers especially women, it has known that The Company has provided the needs of mothers such as: special time for breastfeeding, place to breastfeed, availability of adequate daycare for toddlers and babies.

6.5.4

The certification unit has an SOP related to handling employee complaints, document number SPO/006/BSC/2012 revision 01/rev/RSPO/6.5/PKK issued on November 1st, 2012 and approved by each unit manager. The SOP describes guidelines for handling employee complaints addressed to each operational unit. Then, the certification unit also has a policy of the August 2020 edition of the Sime Darby Plantation Code of Business Ethics, in point 5.8 regarding the protection of personal data it is explained that the certification unit respects the privacy and confidentiality of all parties. In the document it is explained that if requested, the unit of certification guarantees the confidentiality of the identity of the reporter and disclosure of disgrace or incident (whistleblower).

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1, 6.6.2

The results of the verification of the labor list documents show that there are no foreign workers working at PT BSC. In addition, the results of document verification of the Specific Time Work Agreement, for example the PKWT Agreement No. 054/PKWT/SPF/XI/2019 dated 1 November 2019 it is known that there is no indication of forced labor. The SPK has explained the position/job of the worker as well as the rights and obligations of both employers and workers.

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

All units under PT BSC have someone in charge of Occupational Safety and Health (K3). For example, the PT BSC – SPE OHS Committee was ratified in the Decree of the Head of the Sumatera Selatan Province Manpower and Transmigration Office number 05/KPTS/NAKERTRANS/2023 dated 02 May 2023. It is known that the advisor is Mr. Firlan Edy, who serves as Area Controller for Mr. Luhut. This is evidence of an improvement from the previous OFI, namely updating the structure of the OHS Committee if there is a mutation of the workers involved.

The CH showed the OHS Committee Meeting recordings contained in the OHS Report to the service, including the March 2023 meeting which was held on 03, at the SPF, with 12 participants. During the meeting, discussions were discussed including unsafe conditions at each station, safety briefings for contractors, and increased use of PPE.

6.7.2

The CH representative explained that there had been no changes to the emergency and work accident response procedures. The emergency preparedness and response procedure documents were available in Indonesian, including:

- First Aid Procedure in Accident, AMF/SOP.ESH/07, April 9 2010
- Emergency Response Alert Procedure, AMF/SOP.ESH/14, April 8 2010;
- Fire Fighting No. 727/TQEM-ESH/10 dated 01 April 2010;
- Identification and evaluation of emergency potential 724/TQEM-ESH/10 dated 01 April 2010;
- Earthquake 746/TQEM-ESH/10 dated 01 April 2010;
- Evacuation 726/TQEM-ESH/10 dated 01 April 2010;
- Countermeasures for explosion 728/TQEM-ESH/10 dated 01 April 2010;
- Emergency drill 733/TQEM-ESH/10 of 01 April 2010;
- Emergency preparedness and response and recovery 725/TQEM-ESH/10 dated 01 April 2010.

Based on the results of field observations, it is known that the company has provided a first aid kit in the building based on identification of potential hazards and risks, besides that the company also appointed a foreman as the officer responsible for carrying the first aid bag. Based on the results of interviews with the foreman, it is known that the personnel concerned can briefly explain the function of the contents of the first aid bag they are carrying.

The results of field visits at the Estate and Mill revealed that the company had provided evacuation route warnings and assembly points which were placed in a place that workers could easily see and know.

There was a work accident in Division 1 BPE with the initials SN on April 13, 2022, which was an OFI in the previous audit. As a result of document review and interviews with the Company, it is known that SN has carried out a follow-up examination and has worked in a residential area with flower care activities, as shown in September 2022. A certificate of transfer has also been shown for SN workers to light jobs for 6 months. The letter was signed among others by the Company's doctor on November 29, 2023. This is evidence of a follow-up from the previous OFI.

6.7.3

The results of field observations at the disc spray work in Block H19 Division 3 SPE, it is known that workers have used PPE according to PPE standards, such as head protection, goggles, chemical masks, long sleeve shirts, aprons, rubber gloves, and boots. The results of interviews with workers found that PPE was provided by the company, for boots it was given 2 times a year, but if it was damaged before the replacement period it could be replaced. As a result of the document review, it was found that the PPE replacement for the spray team was carried out in March 2023. Based on observations at the BPE Division 3 rinse house, it was found that the rinse house was equipped with PPE washing facilities, self-cleaning, PPE storage, and Hazardous and toxic materials symbols as well as emergency response facilities such as first aid kits. The results of visits to POM, it is known that workers in the engine room station use PPE according to PPE standards such as safety helmets, ear muffs, and safety shoes.

Based on this, it is known that all workers, both activities at POM and at the Estate, such as harvesting and spraying, have been equipped with PPE as identified in the assessment. PPE is also provided free of charge.

6.7.4

The CH has had a clinic and its licensed company's doctor and paramedics. All workers including contractor's workers can use this facility. For further or un-handled medical care covered in government employment and health insurance (*BPJS Ketenagakerjaan* /employment insurance) & *BPJS Kesehatan*/ health insurance). This insurance for all workers in all units have been paid monthly. For example, based on a review of SPF payment documents, BPJS employment payments for all workers in April 2023 will be made on April 6, 2023 for 82 fix workers and 9 kontrak workers. While BPJS Health for workers and their dependents in April 6, 2023 will also be paid on April 6, 2023.

In the event of a work accident, there is evidence that the affected worker has received appropriate medical treatment, and can claim and receive compensation under the insurance policy (if relevant). As discussed in indicator 6.7.2. The results of interviews with management representatives also revealed that if there is a need for a claim due to a work accident, a claim will be made in accordance with applicable regulations.

Based on document review and interview with the workers (including contractor's workers), Labor Union and Contractor,

it was known that there is no issue related medical care. If the clinic cannot handle the medical care, the patient will be brought to the partner hospital in the city by company's ambulance. For contractor's workers, it is known that the accident insurance for workers is covered by the contractors.

6.7.5

The CH has recorded work accidents based on LTA. For example, for SPF, there were no work accidents during the period from January to December 2022, with FR 0 and SR 0. For SPE, FR 4 and SR 10. Meanwhile for BPE, FR 8 and SR 18.

Status: Comply

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

7.1

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

7.1.1

The company monitors the integrated pest control plan. The form of monitoring carried out by the company is in the form of pest census activities such as those carried out on caterpillars, bagworms, and Oryctes in the March 2023 census report with no indication of attack. Other monitoring activities are carried out by monitoring the presence of natural enemies of oil palm plant pests such as the Tyto alba monitoring activity carried out by the company on March 11 2023 with sample results such as of the 52 owl houses owned by Division III SPE there are 49 owl houses inhabited by Tyto alba. Tyto alba monitoring activities are carried out with a monitoring frequency of once a month. Certification units also utilise the existence of beneficial plants such as the types of *Cassia cobanensis*, *Antigonon leptopus*, and *Turnera subulata*. Based on document observation there is no data on attacks by caterpillars or pest, and its existence is based on census are above the control threshold.

The results of field visits, for example in Block E16 Division 1 BPE, beneficial plant types of *Cassia cobanensis*, *Antigonon leptopus*, and *Turnera subulata* are available in good condition and there were no symptoms or traces of caterpillar or pest attacks above the control threshold.

7.1.2

Based on field observations at SPE and BPE, it is known that the company does not have invasive species which refers to the Regulation of the Minister of Environment and Forestry No. 94/MENLHK/SEKJEN/KUM.1/ 12/2016. From the results of field observations, it is also known that the company uses *Turnera subulata*, *Antigonon leptopus*, *Cassia cobanensis*, and *Tyto alba* for IPM.

7.1.3

The company shows procedures/policies related to pesticide mitigation contained in document Number 011/BSC-PPKL/VI/20 concerning SOP for Management of Chemical Pesticides and their Waste dated 22 June 2020, in this procedure there is no method of using fire for pest control. Based on the results of field visits and interviews with company representatives, it was found that there was no use of fire for pest control purposes.

Status: Comply

7.2

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

7.2.1

The unit of certification shows a list of pesticides used, namely:

Brand	Active Ingredient	Lisence Number	Validity Period
Prima-up 480 AS	Glyphosate	RI.01030120031779	Jun 2026
Metaprima 20WDG	Metil Metsufuron	RI.01030120031897	Mei 2026
Centalon 480 EC	Triclopyr	RI.01030120062433	Mar 2027
Basta	Ammonium Glufosinate	RI.01030119921113	April 2024
Capture 50 EC	Cypermethrin	RI.01010120031874	Jan 2026

The use of these pesticides is based on considerations in accordance with the company's procedures contained in the SOP Reference Manual for Palm Oil Agronomy No. 110/EST-ARM/13 dated 16 September 2013 section 15 and 16 concerning Weed Control. For example, the active ingredient Methyl Metsufuron is aimed at controlling the weed species *Dieffenbachia sp*, *Melastoma malabathricum*, and *Chromolaena odorata* and the active ingredient Triclopyr is intended for the weed type *Tetracera scadens*.

7.2.2

The unit of certification shows records of pesticide use for the 2021 – 2022 period as follows:

Pesticide	Unit	LD50			Material use/ha	
		Acute Oral LD50 (mm/kg)	Acute Dermal LD50 (mm/kg)	Inhalation	2021	2022
Prima-up 480 AS	L	5000	2000 mg/kg	4.96 mg/L	1,92	0,69
Metaprima20WDG	Kg	>5000	>2g/kg	-	0,09	0,14
Centalon 480 EC	L	-	2000 mg/kg	-	0,26	0,14
Basta	L	1730	593 mg/kg	2.97 mg/L	0,54	1,05
Capture 50 EC	L	426	2000 mg/kg	-	0,60	1,28

Based on the review of pesticide use documents, it is known that for types of pesticides such as Metaprima 20WDG, Basta, and Capture, there is no reduction in use status. The company's justification for this is due to maintenance activities on immature plants in 2022.

7.2.3

The company seeks to reduce the use of chemical pesticides by applying integrated pest control methods. The company also has a written commitment to reduce the use of pesticides, one of which is listed in the document POD-UM-127/X/128 dated 4 November 2008 regarding Recommendations for Substitutes for Application of the Active Substance Paraquat – Gramoxone in the Minamas Environment which briefly informs regarding the use of pesticides. With the active ingredient paraquat. In addition, the procedures for Minamas Agricultural Reference Manual for Planting Oil Palm Section 15 Plant Protection are explained as follows:

- All farms must calibrate equipment before use, so that the recommended amount of chemicals per hectare is achieved
- Carry out chemical control only if the pest attack exceeds the economic threshold.

This simply shows that the company is making efforts to reduce the use of chemical pesticides.

Certification unit utilize the existence of beneficial plants such as the types of *Cassia cobanensis*, *Antigonon leptopus*, and *Turnera subulate* for the control of Nettle Caterpillar. Based on document observation there is no data on attacks by caterpillars or pest, and its existence is based on census are above the control threshold. Likewise for pest, certification unit utilize the existence of *Tyto alba*. The result of field visit and document observation there were no symptoms or traces of caterpillar or pest attacks above the control threshold.

7.2.4

Based on the results of a review of pesticide use documents for the period 2022 – 2023 and interviews with company management, it is known that there was no prophylactic use of pesticides. The use of pesticides for pest control must refer to the results of pest and disease census.

Active census activities are carried out to be able to find out the symptoms of pest attacks on oil palm plants as early as possible. Based on the results of the census in March 2023, it was informed that there were no symptoms of a pest attack. The results of field visits and document observations show that the company does not use pesticides for prophylactic purposes (prevention).

7.2.5

Based on the explanation in section 7.2.2 of the types of pesticides used by the company, it is known that the company does not use pesticides listed on the World Health Organization (WHO) Class 1A or 1B or included in the Stockholm or Rotterdam Conventions, as well as paraquat.

7.2.6

The unit of certification conducts training activities related to handling pesticides for related officers, as an example was carried out on March 14, 2023 at SPE, briefing and training for the spray team was also carried out on May 10, 2023 at BPE. Besides that, training on pesticide mitigation and work safety was also carried out on March 15, 2023 for all officers related to spraying activities.

The company shows procedures/policies related to pesticide mitigation contained in document Number 722/PSQM-PSS/10 dated 13 December 2010, concerning OHS guidelines. This procedure regulates OHS aspects for activities on plantations, including spraying activities and pesticide handling.

Based on the results of interviews with the PT BSC spray team, it is known too that all workers have received training related to handling pesticides on a regular basis, besides that workers can briefly explain the procedures for spraying and handling pesticides and spray equipment after work.

Based on the results of interviews with the spray team in block G13 division 3 of SPE, it was found that workers could explain the technical aspects of spraying based on the 6T principles (right target, right quality, right type of pesticide, right time, right dose/concentration and right way of use). It is also known that the use of pesticides is in accordance with product labels, and workers have used PPE that is in accordance with the company's HIRAC. It is also known that if the PPE is damaged, it will be replaced by the company.

7.2.7

The observation result from visit at the pesticide warehouse in SPE and BPE found that the storage area was in accordance with Government Regulation No. 74 of 2001 concerning the Management of Hazardous and Toxic Materials, including the pesticide storage warehouse equipped with the OHS hazard symbol, MSDS, emergency response facilities in the form of fire extinguishers, first aid kits, shower, eye wash, ventilation and adequate lighting.

7.2.8

Company has and shows SOP for handling pesticide waste which is listed in the SOP document for Storage of Pesticide Packaging, document number RA 012 revision number 00 dated April 1, 2017, which includes, among others, the safety and health of personnel working with hazardous waste and the control of temporary storage of packaging waste. Pesticides until the deadline for submission to the competent authorities. Procedures related to the storage of pesticide waste include packaging requirements, storage procedures, storage building requirements, and requirements for submitting hazardous waste to third parties. The company only manages pesticide packaging waste by storing the waste temporarily before being given to licensed collectors.

Based on field observations at Sungai Pinang estate and Bukit Pinang estate, it was found that all used pesticide containers were washed/rinsed in the available washing places, then recorded by warehouse staff, and then sent to the temporary hazardous waste warehouse in each estate. Used pesticide packaging is stored and collected at the temporary hazardous waste warehouse that is licensed, documented (log book). The company shows last hazardous waste was transported on December 5, 2022, which PT Manupak Abadi did as a licensed hazardous waste transporter.

Based on interview with worker and pesticide warehouse officer of Sungai Pinang Estate and Bukit Pinang Estate, they understand the mechanism well. In housing complex, ex pesticide waste has been handled well and observation on plantation block and workshop show that there is no agrochemical ex-container in the plantation working area.

7.2.9

The company applies pesticide spray methods and equipment in accordance SOP Reference Manual for Palm Oil Agronomy No. 110/EST-ARM/13 dated 16 September 2013 section 15 and 16 concerning Weed Control. The company applies procedures regarding general instructions for safety in working with pesticides. In this procedure there are prohibitions not to spray or spread pesticides when it is going to rain, the wind is blowing hard, and do not direct the spray or spread against the direction of the wind. The procedure instructs to avoid spray carried by the wind to other places so that it does not hit people's homes, plants in other places, rivers, ponds, lakes, and fodder. This is quite representative that the company has procedures that are aware of the spread of pesticides through the air. Based on the results of field

visits and interviews, it was found that the company did not apply pesticides by air.

7.2.10

The company conducts regular general health checks and special health checks for workers with certain risks. Special medical examinations were carried out in April 2023 for spray workers and fertilizing workers at PT Bina Sains Cemerlang as indicated in the Worker Examination Result Recapitulation document for the April 2023 period dated May 10 2023 which was carried out by the company doctor. The company has also shown the results of the medical examinations that have been carried out by the company, based on these documents it is known that there are no employees who experience work-related health problems. Based on the results of the last medical examination, no trends of workers being absent due to incident related to pesticide usage.

7.2.11

The unit of certification shows Memo No. BPE/006/1/2022/M regarding the Work policy for Pregnant and Breastfeeding Mothers which is addressed to divisional employees. The policy includes information regarding the prohibition of employees who are pregnant and breastfeeding mothers from working with chemicals and toxic substances.

Based on BPE and SPE employee data, it is known that there are no spray workers under 18 years of age. The results of field visits and document observations obtained information that there were no spray employees who were pregnant.

Status: Comply

7.3

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

7.3.1

All waste products and sources of pollution have been identified and documented in the waste management and identification document period of 2022. Based on document verification, company has done waste source identification and management plan for examples are:

- Estates
 - Waste source: chemist activities, waste type: ex pesticides containers (toxic and hazardous waste), managed by stored in optimalization store and sent to related transporters.
 - Waste source: pruning activities, waste type: oil palm frond (organic waste), managed by frond stacking
- Mill
 - Waste source: FFB process, waste type: shell and fiber (non-toxic/hazardous waste), managed by renewable energy usage for boiler.
 - Waste source: FFB process, waste type: palm oil mill effluent, managed by the effluent pond and land applications as nutrient cycle.

Company already has temporary hazardous waste storage area permit through Decree of Head of One-Stop Service and Investment Office of Musi Rawas District Number 503/05/LB3/DPM-PTSP/V/2019 dated 31 May 2019, regarding the extension of the hazardous Waste Management Permit for PT Bina Sains Cemerlang's Temporary Hazardous Waste Storage Activities. Validity period: 5 years from the date of this decision. Document review shows that the company has sent hazardous waste to PT Gema Putra Buana (licensed collector by the national environmental minister). Manifests are available and checked by auditors. Observation during audits at temporary hazardous waste storage shows that all hazardous waste is compliant with the periods in the permit. Submission of the last hazardous waste was carried out on 05 December 2022.

Based on field observation in Sungai Pinang Mill, solid waste management such as empty bunch is disposed in empty bunch storage before being applied to land, shells and fiber are used as boiler fuel, and boiler ash is stored in boiler ash storage before being used as stockpile. Meanwhile, POME from mill is processed through WWTP until it has been fulfilled quality standard before it is streamed to land application.

Based on field observation to Hazardous Waste Storage in Sungai Pinang Mill and estates, hazardous waste from each unit has been stored to hazardous waste storage which has been equipped with emergency response facilities such as fire extinguisher, alarm, spill kit, emergency shower, secondary containment and first aid kit. Hazardous waste has been stored based on toxicity and hazardous characteristics, e.g., clinical and chemical storage waste are stored in different

containers. Based on interview with management representative, solid waste management, e.g., in housing area, is collected by waste management officer and delivered to the landfill. Based on interview result with residents of housing complex, there is prohibition of burning for waste disposal in the company.

Besides, based on result of field visits, the following were found:

- The location for domestic waste collection and where there is a burnt container for domestic waste in the vacant land of the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Location of domestic waste collection on vacant land of Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Domestic waste disposed of in HCV area of Pinang River Block H10 Sungai Pinang Estate.
- Domestic waste scattered behind the Pondok Antigonon Division 3 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of behind the Pondok Turnera Division 2 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of outside the landfill pit with a distance of ± 50 m in Block K18 Division 3 Bukit Pinang Estate.

During the ASA-2.1 assessment, the company again showed evidence of improvement in the form of a checklist for monitoring housing conditions which is carried out every month and socialization on domestic waste management. However, the monitoring results are not in accordance with the conditions in the field so that domestic waste is still found in housing. Thus, the corrective actions shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively. This has been nonconformity in indicator 3.3.3.

7.3.2

Company has also procedures to manage its waste which has been contained in SOP for Hazardous Waste Management No. 5.3/BSC-PLB3/V16 Revision 03 dated 20 July 2022 and SOP for Waste Management No. 33/PS/VII/2014 Revision 1 dated September 1, 2014 which was approved by the Estate Manager and Factory Manager. Company has also showed its training to workers and manager with evidence of minute of waste management socialization to 96 participants on 21 June 2022 at Sungai Pinang Estate.

Company routinely socializes waste management directly and indirectly, to all staff and employees at SPE and BPE. In addition, based on interviews related to management and disposal of waste, managers in estates and mills have known about the proper disposal of waste, including domestic waste management disposal to landfill, hazardous waste management in Hazardous Waste Storage, and POME in WWTP.

Besides, based on result of field visits, the following were found:

- The location for domestic waste collection and where there is a burnt container for domestic waste in the vacant land of the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Location of domestic waste collection on vacant land of Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Domestic waste disposed of in HCV area of Pinang River Block H10 Sungai Pinang Estate.
- Domestic waste scattered behind the Pondok Antigonon Division 3 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of behind the Pondok Turnera Division 2 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of outside the landfill pit with a distance of ± 50 m in Block K18 Division 3 Bukit Pinang Estate.

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7.3.3

The company has provided a landfill as a final waste disposal site. Organic waste from housing and inorganic waste is

disposed of in the bins that have been provided, then transported every two times a week and disposed of in landfills, and then buried when it is complete. Observations also found these landfills are located far away (> 1 km) from housing and situated in flood-free areas. The results of field observations in employee housing areas also show many warnings to prohibit waste burning activities and the dangers of burning actions.

Status: Comply

7.4

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

7.4.1

The company shows documents related to plant maintenance procedures contained in the ARM document with No. Policy 110/EST-ARM/13 section 8 regarding fertilizing oil palm plants which includes fertilization techniques, application of empty stalks and application of compost to immature plants (TBM) and mature plants (TM), placement of fertilizers and application of fertilizers in a 'focal feeding' manner on marginal inland soils.

The company implements soil analysis and leaf analysis for each estate unit which are then used as basic fertilization recommendations described in 7.4.2.

Utilization of empty fruit bunches as a form of implementing soil fertility management is described in 7.4.3.

Records of fertilization activities carried out by the company are described in 7.4.4.

7.4.2

The leaf sampling programed every year and soil analysis every 5 years. The results of interviews with management representatives and document review revealed that the company had carried out a soil and leaf tissue analysis to develop fertilizer recommendations.

The unit of certification shows the results of soil analysis listed in the Soil Fertility Survey Report and Land Suitability for Palm Oil Plants PT Bina Sains Cemerlang Year for the period 2021 – 2026 with document number MRC/Head-MRC/Mgr Est/0329/XII/2021 dated 18th December 2021 published by the Department of Agronomy – Minamas Research Center for an area of 6,413.56 Ha. The parameters analyzed included pH, organic C, Total N, P, CEC (Cation Exchangeable Capacity). In addition, the leaf analysis document Number P198/2022 dated October 1, 2022 issued by the Laboratory Services Minamas Research Center was also shown for a total of 29 BPE samples and 38 SPE samples. The parameters analyzed include ASH, P, K, Mg, Ca, N, and B.

7.4.3

Nutrient recycling strategies are in place, including implementing POME and implementing EFB, for example implementing POME in April 2023 where 3,602 m³ of SPE was applied for a land area of 16.90 ha. Based on field observations of the land application area in SPE it is known that POME has been implemented and there has been no overflow into water bodies.

The results of the study of the EFB on BPE application document, it is also known that the company has applied for April 2023 is 1,416.01-ton EFB. Based on field observations also found that EFB was applied as mulch at circle points in immature areas. This treatment has been regulated in the ARM chapter of fertilization in IMMATURE.

7.4.4

The unit certification has documented records of fertilizer use in the field which are part of the Company's Agronomy Report. For example, the Recommendation and Realization of SPE fertilization documents in 2022 :

No	Fertilizer	Recom	Real
		Kg	Kg
1	ZA	1.312.696	1.306.119
2	MOP	982.765	936.542
3	RP	971.498	900.477
4	Kieserite	258.035	254.328

5	CCM45	319.958	306.445
6	Dolomite	39.509	39.625
7	CCM25	13.393	825
8	AC	108.806	117.083
9	HGFB	47.732	47.731
	Total	4.054.392	3.909.175

Status: Comply

7.5

Practices minimise and control erosion and degradation of soils.

7.5.1

Based on the results of the study of the Soil Fertility Survey and Land Suitability Survey document for Oil Palm Plants at PT Bina Sains Cemerlang for the period 2021 – 2026, it is known that there is no marginal soil. Soil types in BPE's operational area are Lithic Hapludult, Typic Hapludult, Typic Kandudult, and Typic Paleudults, and the soil types in the SPE operational area are *Aquic Paleudult*, *Typic Hapludult*, *Typic Kandudult*, *Typic Paleaquult*, and *Typic Paleudults*. The land slope class is between 0° – 25°, the dominance is hilly with an area of 898.81 Ha (14.01%), besides that there is a steep slope land with an area of 129.59 Ha (2.02%). For steep areas, a type of soil conservation is made in the form of terraces and vetiver grass and LCC have been planted for soil conservation.

7.5.2

The results of field observations in BPE's operational areas did not find planting of oil palm areas on steep slopes (> 25°). The land slope class in PT Bina Sains Cemerlang is between 0° – 25° which is located in the operational area of BPE. For steep areas, a type of soil conservation is made in the form of terraces and vetiver grass and LCC have been planted for soil conservation.

7.5.3

The results of field observations in the BPE replanting area did not find oil palm plantations on steep slopes (> 25°). The land slope class in PT Bina Sains Cemerlang is between 0° – 25° which is located in the operational area of BPE. For steep areas, a type of soil conservation is made in the form of terraces and vetiver grass and LCC have been planted for soil conservation.

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

Based on the results of the study of the Soil Fertility Survey and Land Suitability Survey document for Oil Palm Plants at PT Bina Sains Cemerlang for the period 2021 – 2026, it is known that there is no marginal soil. Soil types in BPE's operational area are Lithic Hapludult, Typic Hapludult, Typic Kandudult, and Typic Paleudults, and the soil types in the SPE operational area are *Aquic Paleudult*, *Typic Hapludult*, *Typic Kandudult*, *Typic Paleaquult*, and *Typic Paleudults*. The land slope class is between 0° – 25°, the dominance is hilly with an area of 898.81 Ha (14.01%), besides that there is a steep slope land with an area of 129.59 Ha (2.02%). For steep areas, a type of soil conservation is made in the form of a terrace.

7.6.2

Extensive planting on marginal and fragile soils is avoided by the company, the results of field visits for areas in the BPE area are carried out with a best practice soil management plan such as by making soil and water conservation in the form of felt.

7.6.3

Information on soil types and topography serves as a guide for companies in planning drainage and irrigation systems, roads and other infrastructure. For example, this information becomes a guideline for soil and water conservation activities such as making terracotta and becomes a guide in preparing road consolidation maps.

Status: Comply

7.7

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

7.7.1; 7.7.2; 7.7.3; 7.7.4; 7.7.5; 7.7.6; 7.7.7

Based on the PT Bina Sains Cemerlang – BPE Soil Type Map made in a scale of 1: 30,000 with a release date of October 9, 2021 based on the 2021 MRC soil survey data, it is known that the soil types in BPE's operational area are Lithic Hapludult, Typic Hapludult, Typic Kandudult, and Typic Paleudults. In the PT Bina Sains Cemerlang – SPE Soil Type Map document at a scale of 1: 41,000 with a release date of October 9, 2021 based on the 2021 MRC soil survey data, it is known that the soil types in the SPE operational area are *Aquic Paleudult*, *Typic Hapludult*, *Typic Kandudult*, *Typic Paleaquult*, and *Typic Paleudults*. There were no peat soil types found in the company's operational areas, so this indicator is irrelevant.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

Company identifies water flows within its operational areas in the HCV document. There is also a water management plan included in the HCV management plan, environmental management, and monitoring plan (AMDAL) record. Based on the document, it is also known that the water source management plan is to test the quality of surface water (Pinang River and Durian River) every six months and drill/resident wells every one year. All tests were carried out by accredited laboratory (LP-1148-IDN). Related to this, company shows the results of testing surface water quality for second semester of 2022. Company carried out surface water tests with 27 indicators at 4 sample points. Company also does not limit access to clean water, and all workers also have access to adequate clean water. Based on the results of field observations in the permanent housing area of CHC (Central Housing Complex) Sungai Pinang Estate and interviews with fertilizer workers, spraying workers, and harvest workers. Information was obtained that clean water facilities for housing were obtained from drilled wells provided by the company and factory workers. Who live in factory housing, the water source comes from a reservoir that has been treated in the WTP.

Company also has a river boundary management plan – a riparian belt, explained in the SOP for Watershed Protection (No.PM 0300, Rev 00 dated October 30, 2014). The SOP includes procedures that require watershed areas or buffer zones to be marked. No chemical application is allowed. (spraying & fertilizing), maintenance of oil palm plantations in the watershed is carried out manually; during tree rejuvenation which is approximately 50 meters left and right of the river, flow is allowed to grow naturally, and it is forbidden to take sand for residents. Based on the results of document verification and field observations of several sampling locations indicate that the company has carried out activities to improve water quality, including:

- Conduct socialization to all employees and the surrounding community not to use water for consumption activities.
- Maintain the cleanliness of the environment around water sources so that sources of pollution can be minimized.
- Create a program to improve water quality in stages with the provisions of the applicable laws and regulations.
- Report the examination results by the provisions of the applicable laws and regulations.
- Testing the quality of river water and drilled wells listed in the *RKL/RPL* report.
- Management of erosion and surface water runoff, lowland water management, and monitoring of surface water quality as stated in the implementation of the semester *RKL-RPL*.
- Management of riverbanks and water sources in the form of reservoirs.
- Wastewater management using WWTP and its utilization in licensed application areas as well as monitoring the quality of wastewater and monitoring wells.
- Monitoring water use for palm oil processing and evaluating its usefulness.
- Flow meter logging in WTP.
- Checking for leaks of water faucets at the factory and calibrating flowmeters.
- Distribution control and maintenance of water distribution pipes to housing.
- Production of water-saving posters and water-saving campaigns.
- Socialization of water use savings in factories and housing.
- Planting of plant species on riverbanks such as Bamboo, Trembesi, etc.

7.8.2

Company has SOP for Watershed Protection (No.PM 0300) Rev 00 dated October 30, 2014. The SOPs stipulate that watershed areas or buffer zones must be marked, no chemical application (spraying & fertilization), and maintenance of oil palm plantations are allowed. The watershed is done manually; when rejuvenating, trees, approximately 50 meters left and right of the river flow, are allowed to grow naturally, and it is forbidden to take sand for residents.

In addition, company also explained the efforts to manage river borders and other water sources such as periodically monitoring the condition of river borders from disturbances and, pollution and fires every month testing surface water quality standards to ensure river water quality is still within normal limits. In addition, the company also conducted socialization with employees and the surrounding community in conservation efforts. Result of interview with spraying and fertilizing workers also stated that they had known rules related to chemical application limits, prohibition of washing goods contaminated with chemicals in rivers, and other activities that harm water sources.

Company has also planted woody plants on riverbanks. In 2021, it was known that 200 plants had been planted consisting of bamboo and vetiver grass. Based on the results of field visits to the HCV location, which is the Sungai Pinang River border area Block E010 Division 02 Sungai Pinang Estate and Sungai Pinang River border area Block F017 Division 02 Bukit Pinang Estate, it shows that the company has carried out several activities as a form of protection for the river border area, such as:

- Placing warnings on no hunting, HCV areas, and no application of chemicals or fertilizers.
- Do not apply chemicals in the HCV area with a distance of \pm 100 meters
- Marking the boundaries of the managed area (chemical application) with a yellow mark on the tree
- Enrichment by planting mahogany plants
- The company has also disseminated the prohibition of spraying on the edge of water bodies to workers.

7.8.3

All palm oil mill effluent produced by the SPF Palm Oil Mill is processed at the wastewater treatment plant before being distributed to plantations as land applications. Monitoring is carried out every month regularly and reported to the Environmental Agency every three months. Company can show evidence regarding results of POME quality measurement in a document of the effects of tests carried out by accredited laboratory (LP-1148-IDN). The analysis of the test results for the period January-April 2023 shows that all parameters are by the applicable quality standards. This indicates that the liquid waste generated from FFB management activities can be applied to land applications. Company already has a Land Application Permit based on the Regent of Musi Rawas No 436/KPTS/DLH/2017 regarding extension of permit for use of palm oil industrial wastewater on the oil palm plantation land of PT Bina Sains Cemerlang. The application area of 83.64 ha is located in blocks F11 and F12, issued on June 7, 2017.

7.8.4

Company already has a water use/utilization permit based on Decree of the Minister of Public Works and Public Housing Number 782/KPTS/M/2021 dated 16 June 2021, concerning the Water Resources Concession Permit. This permit decision comes into effect from 8 June 2021, until five years from the date of stipulation. It is explained that the company must collect water with a quota that can be utilized of 12,000 m³/month.

The procedure of water use monitoring in the mill is available under the document Procedure of Water Treatment Plant. Water consumption is monitored by using flowmeters installed in the piping system of WTP. According to water use data in the last period, January to April 2022 average water used for processing is still below the budget (1.10 m³/ton FFB while the budget is 1.5 m³/ton). The widespread use of water under the budget of the company.

Status: Comply

7.9

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

7.9.1

Company uses shells and fiber as boiler fuel to generate turbine power, reducing the use of fossil fuels. There are the documentation of shells and fiber usage on document of "*Efisiensi Pemakaian Bahan Bakar Fosil menggunakan Fibre & Cangkang*" period January-December 2022. For example, the use of shells and fiber period January-December 2022 usage is 9,073 tons and 3,992 tons respectively, while electricity generated from diesel fuel 192,727 kWh. Based on document verification, there is escalation of renewable energy (shell and fiber) from previous audit period which are 11,095

ton to 13,065 ton.

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

Company has carried out an inventory of GHGs in the Greenhouse Gas Mitigation Report document for 2022. Based on document analysis, it can be concluded that the company has identified the source of GHG produced by the SPF unit and its suppliers. Identification of significant sources of GHG emissions is placed, and the company has developed mitigation plans covering mills and plantations. Significant GHG emissions include:

- Land-use change.
- POME processing.
- Fertilizers and pesticides.
- Use of fossil fuels for operations and transportation.

The mitigation plans include, among other things, the correct dosage and application of fertilizers as recommended, reducing reuse and recycling, limiting the use of electricity, transportation, and machine maintenance, as well as periodic air quality tests. The company has reported the results of the GHG calculation, which was submitted to the RSPO GHG website.

Fossil fuel reduction in SPF has been carried out using fibers and shells for fuel substitution. The company also uses POME with test results from the monitoring period from January–to December 2022, which show that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents, for example, monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs, and others, it is found that accurate data has been entered into the RSPO GHG Calculator version 4.0. The summary of GHG emissions for the period January – December 2022 is as follows:

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	1.65	tCO ₂ e/tProduct	Oil palm planted on mineral soil	6185.64	Ha
PK	1.65	tCO ₂ e/tProduct	Oil palm planted area on peat	0.00	Ha
PKO	0	tCO ₂ e/tProduct	Total oil palm planted area	6185.64	Ha
PKE	0	tCO ₂ e/tProduct	Conservation area (Forested)	44.36	Ha
OER	18.73	%	Conservation area (non-Forested)	0.00	Ha
KER	3.80	%	FFB Production per hectare	12.50	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 ₂	tCO ₂ e/t FFB	Emission Source	tCO ₂ e
POME	15155.52	0.20	PK from own mill	0.00
Fuel Consumption	699.43	0.01	PK from other sources	0.00
Grid Electricity Utilization	0.00	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00	Total Crusher Emissions	0.00
Sale of PKS	0.00	0.00		
Sale of EFB	0.00	0.00		
Total	15854.95	0.21		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO ₂ e)	TOTAL
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	Own	Group	3 rd Party	
Emission Source				
Land Conversion	57714.47	0.00	0.00	57714.47
CO2 Emissions from Fertilizer	4639.81	0.00	0.00	4639.81
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertilizer	3818.08	0.00	0.00	3818.08
Fuel Consumption	875.30	0.00	0.00	875.30
Peat Oxidation	0.00	0.00	0.00	0.00
Sinks				
Crop Sequestration	-54213.04	0.00	0.00	-54213.04
Sequestration in Conservation Area	0.00	0.00	0.00	0.00
Total	12834.63	0.00	74.35	12908.98

Palm Oli Mill Effluent Treatment

Description	Unit	Value
Diverted to Compost	%	0
Diverted to anaerobic digestion	%	100
POME to anaerobic pond	%	100
POME to methane capture (flaring)	%	0
POME to methane capture (electricity generation)	%	0

7.10.2

Based on document verification, there are no additional new areas in the scope of certification; it is still the same as the previous audit activities. The company has identified pollution and emissions activities, including GHG. Pollution/emissions come from land clearing, fertilization and use of chemicals (spray activities), use of solar in transportation, lighting, and processing of FFB, and management of POME.

7.10.3

Based on document verification, there are no additional new areas in the scope of certification, and it is still the same as the previous audit activities. The company has identified pollution and emissions activities, including GHG. Pollution/emissions come from land clearing, fertilization and use of chemicals (spray activities), use of solar in transportation, lighting, and processing of FFB, and management of POME. The company has also implemented GHG emission management, including establishing a policy of zero burning in land clearing, fertilizer, and chemical use by recommendations, EFB and POME applications on land, routine emission testing, use of fibers and shells as boiler fuel, planting trees in the area riparian.

Status: Comply
7.11
Fire is not used for preparing land and is prevented in the managed area.
7.11.1

Company is committed to clearing land without burning (zero burning) either during land clearing or replanting, as stated in the environmental protection policy dated April 30, 2013. Company also has SOP procedure. Policy; 110/EST-ARM/13 Memorandum of Head of Plantation Upstream Indonesia dated September 01, 2013, chapter Replanting. The procedure explains that land clearing or replanting also shows no zero-burning method. In addition, the company has a Fire Prevention and Handling Manual with No. M-077 / HPUI / VIII / 2014 from Head Plantation Upstream Indonesia dated August 07, 2017, which contained that the company implemented Zero Burning Policy in all Minamas plantation activities. Based on results of field observations in SPE and BPE, it was found that there was no indication of replanting activities using the burn method; the company carried out replanting actions manually (chipping).

7.11.2

Efforts to prevent and control fires in the managed area have been described in 2022 Fire Monitoring and Prevention Report, whose period is between January-December 2022. Based on document verification, there were no land fires in the company's operational areas in 2022-2023. Based on results of field observations of Sungai Pinang Estate, it was found that there was no indication of replanting activities using the burn method; the company carried out replanting

actions manually (chipping). Based on interviews with management, they cleared the land using heavy equipment (manual).

7.11.3

Company has involved stakeholders at the border locations of the operational area to prevent and control fires through simulations and socialization of firefighters, which were attended by the surrounding community and several agencies around the company. The company has demonstrated evidence of stakeholder involvement in fire prevention and control, as shown in Minutes of Fire Extinguisher Simulation on 18 February 2023 held at Sungai Pinang Estate and attended by representatives of Villages around PT BSC, the firefighting team at PT BSC, etc.

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 the results of document verification, PT Bina Sains Cemerlang has done land clearing in period of November 2005 – November 2007 and December 2007-December 2009. HCV Identification activity was carried out in 2010, shown based on the HCVA Identification Report document, PT Bina Sains Cemerlang, carried out by an independent consulting agency (CV. POLLITO) in January 2010. Sime Darby Plantation Berhad, the parent of PT BSC, has made a disclaimer of liability according to a letter from the Head of PSQM Department on July 15, 2015, and has reported the results of Land Use Change Analysis (LUCA) in August 2015. Company shows evidence of follow-up communication with the RSPO regarding the LUCA review based on an email on 18 February 2022 from Indrawan Suryadi <indrawan.suryadi@rspo.org> to Nurul Hayati Ibrahim <nurul.hayati@sime-darbyplantation.com> which stated that "Please find the attached file of the final LUCA review result of PT Bina Sains Cemerlang from the reviewer. The LUCA status now is Pass, with Final Conservation Liability 0 ha, and Environmental Remediation Area 0 ha". Based on this email, PT Bina Sains Cemerlang's LUCA status was declared "Pass" by the RSPO with a Final Conservation Liability (FCL) of 0 ha and a remediation area of 0 ha. Until this surveillance 2.1 assessment, company did not conduct new land clearing activities or development of operational areas.

7.12.2

Company has identified HCV area within its operational area. The identification was conducted by independent consultant of CV POLLITO. Activities that have involved the community are shown by Minutes of Implementation of Consultation Activities on HCV Identification (No. 04/ BAP/Pollito/05/2011) dated May 12, 2011. The public consultation was attended by 16 people consisting of consultants, community, academics (students), relevant agencies, NGOs, village heads and company management.

Identification result shows that HCV area including Pinang River, Durian River, Selingsing River, and Black River; with a total river length of ± 49.2 km; Based on Presidential Decree 32 of 1990, a protected area (buffer zone) is set as wide as 50 m on the left and right of the river or equivalent to ± 492 ha. This area has been planted with oil palm from 1991 to 2006. This area is categorized as an HCV 1.1 area, namely an area that has or provides a biodiversity support function for a protected or conservation area; HCV 4.1 areas, namely Areas or Ecosystems that are Important as Water Providers and Flood Control for Downstream Communities, and HCV 5, namely Areas that Have Important Functions for Fulfilling Basic Needs of Local Communities.

Company already has an HCV map with a scale of 1:50,000 which informed riparian area of Pinang River, Durian River, and Selinsing River with an HCV area of 492 ha which is included in planting area. For replanting river border areas, land clearing is not carried out. HCV area present in PT BSC is HCV 1.1; HCV 4.1 and HCV 5 in form of riparian area of Pinang River, Durian River, Selinsing River and Air Hitam River for 492 ha that is included in the plantation area (potential HCV Area). The river border area that has been settled into the HCV area of 44.07 ha and is not in the planting area statement.

Company has conducted research on protected, rare, rare, or endangered species, and habitats with high conservation value, which was carried out by a consulting agency in January 2010. Identified RTE of wildlife species are *Felidae*, *Hylobatidae*, *Ursidae*, *Manidae*, *Hytridae*, *Cercopithecidae*, *Viverridae*, *Bufo* *Macaca nemestrina*, *Alcedo atthis*,

Anthreptes malacensis, *Chloropsis sonnerati*, *Ictinaetus malayanensis*, *Varanus nebulosus*, and *Naja sp* and RTE species of vegetation species are *Ficus fistulosa*, *Picus*, *Rhodamnia cinerea* and seedling of *Aglaia tomentosa*.

7.12.3

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

7.12.4

The company has the following documents:

- January 2010 HCV Identification Report document describes management efforts for protected river riparian areas by making riparian boundary markings of 50 meters from the right and left of the river.
- SOP for Management of River/Waduk Boundaries (DAS) & Conservation Areas No. 37/PSS-HCV/IX/2014 dated 01 December 2014, section 5.2 care and management of conservation areas and HCV explains:
 - Point P. In accordance with the HCV limits that have been determined, all forms of activity including the removal of new planting of oil palm may not be carried out along the border and the area is purely for clearing even though it has already been planted, except for taking the yield from oil palm plantations that have already been planted. Before it is allowed as long as it grows naturally without any mechanical or chemical treatment.
 - Point T. Do not dispose of waste including B3 waste, toxic materials, used materials both in border areas and in water bodies.
 - Point W. If employees or members of the public are found who intentionally damage, take advantage of for many benefits, or deliberately carry out activities that have a damaging impact on the area, they can be processed according to the rules and regulations that have been stipulated.
- HCV Management Plan for the 2022-2023 period which is updated in 2022. The management plan for HCV 4 that will be carried out are:
 - Maintenance of HCV Buffer Zones.
 - Do not open planting in protected areas according to PP.
 - Do not build roads, canals and other infrastructure for HCV.
- Report on the results of HCV management and monitoring carried out by the company obtained information, in the period January – December 2022 monitoring has been carried out in the Sungai Pinang HCV area and it is known that there is no disturbance in the area.

However, based on the results of field visits in the HCV 4 riparian area which was the scope of the audit, information was obtained that:

- In block D016 Bukit Pinang Estate, replanting activities have been carried out in 2021 leaving 1 palm oil tree ($\pm 10m$) the remaining replanting for planting in 2021.
- There was land clearing for agriculture (horticulture cultivation) in the E12 Bukit Pinang Estate block by (employees of the PT MKJP contractor).
- The results of a field visit to block H10 Sungai Pinang Estate on the Sungai Pinang riparian found empty bunks and domestic waste disposed of in the riparian.

The company has not been able to prove that the HCVs that have been identified, protected, and/or enhanced and the implementation of the HCV management plans are in accordance with the 2022-2023 HCV management plans. **Thus, this becomes nonconformity No. 2023.5 with major category.**

The results of the 2022 evaluation for the 2023 management plan will be carried out by involving the surrounding community in December 2022. Based on this evaluation, the company determines the management unit's management and monitoring, such as maintaining HCV attributes, socializing HCV, maintaining HCV areas, and routine patrols to maintain security. HCV, and species monitoring. In addition, based on interviews with employees and the surrounding community, it was found that they were aware of the presence of RTE species and HCV areas in the company's operational areas. Company has also integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas developed, implemented and adapted. This contained in HCV Management Plan for the 2022-2023 period with activity of management and monitoring including maintenance of HCV Buffer Zones, not open planting in protected areas according to government regulation, not build roads, canals and other infrastructure for HCV.

7.12.5

The company has identified HCV area within its operational area. The identification was conducted by independent consultant of CV POLLITO. The HCV areas present in PT BSC are HCV 1.1; HCV 4.1 and HCV 5 in form of riparian area of Pinang River, Durian River, Selinsing River and Air Hitam River for 492 ha that is included in the plantation area (potential HCV Area). The river border area that has been settled into the HCV area of 44.07 ha and is not in the planting area statement. The company currently has a mutual agreement with the surrounding community; for example, for monitoring and patrol activities, the company has agreed with the community active in the company not to hunt and trade wild animals.

7.12.6

Company has a policy set out in procedures related to protecting endangered species with document number SPO/006/BSC/202 revision 01 concerning SOPs for Handling and Protecting Flora and Fauna, effective on November 1, 2012. The document generally describes preventive and repressive measures. Protect protected wild animals and plants, such as the principle of sustainability. All employees are advised not to hunt, catch, kill and sell protected animals and plants threatened with extinction and report any such activities. Maintain and not disturb the area designated as the HCV area and report any illegal acts. Employees who do not comply will be subject to sanctions by the applicable laws and regulations. The company also put no hunting boards with photos of the species and sanctions for violating government regulations in all HCV areas.

Information also applies sanctions for employees in the form of disciplinary action following the provisions of national law, which are also listed on the HCV signboard, which explains that "anyone who violates will be reported to the authorities with criminal threats and fines following Law Number 41 of 1999". The company imposes the sanction by giving a first warning letter to employees who violate work rules, among others, such as: carrying out activities unrelated to work for personal gain within the company, such as hunting, trading animals, and logging forests. Based on interviews with company employees regarding animal protection, the company has committed to protecting animals within the scope of corporate governance, such as implementing a ban on hunting, killing, and keeping wild animals in the company environment. The procedure for animal protection also regulates the existence of sanctions or sanctions for those who violate these provisions.

In addition, the company has also carried out socialization about the existence of endangered plants and animals to all employees and the surrounding community, which is shown in the minutes of socialization documents, for example, carried out to employees on 06 March 2023, and carried out to the community and contractors on 07 Marh 2023. All activities can be proven by photos and the document's attached attendance list. Indirect socialization is also carried out by installing information boards and brochures with warning signs related to conservation areas and the presence of protected rare plants and animals in easily visible places, such as; area entrances, regional roads that are often crossed by the community, and other sites other strategic areas such as offices and other public facilities. The results of field visits to several conservation areas indicate that the company has managed protected areas. Such as; replanting local species, not logging, using no chemicals, installing HCV signboards, and prohibiting hunting and burning to avoid and prevent illegal hunting and encroachment of the area. HCV. Several warning signs have been posted regarding the prohibition of hunting and encroachment. Some personnel appointed by the company carry out routine monitoring of HCV areas. The results of field observations also show signs prohibiting hunting for protected animals, burning, and marking the boundaries of conservation areas.

7.12.7

Monitoring of protected areas in 2022 is carried out regularly every week to ensure the site's security. Monitoring activities were carried out in several locations on the river border and heath forest. This monitoring is carried out to see the progress of the results of HCV management from the initial stage to the current condition. The company also monitors the diversity of flora and fauna, which is routinely carried out every year by showing the results of HCV monitoring carried out in 2022. The results of observing fauna in the plantation area still found several protected species of animals included in the protection status according to IUCN, CITES, and Minister of Environment and Forestry Regulations No. 106 of 2018. HCV management and monitoring activities are contained in the HCV management and monitoring report. For example, the results of patrols in 2022 for conservation areas such as flora and fauna found were Meninting King Prawns, Cobras, Monitor Lizards, and Long Tailed Monkeys.

Based on the management and monitoring evaluation results in 2022, it is known that there are protected animals in the

PT BSC area. Monitoring results were also reported to the Sumatera Selatan Nature Conservation Center (BKSDA) on 15 May 2023. Based on the 2022 HCV monitoring report, it is known that several protected species are still found in the company's management area. The results of the 2022 evaluation for the 2023 management plan will be carried out by involving the surrounding community in December 2022. Based on this evaluation, the company determines the management unit's management and monitoring, such as maintaining HCV attributes, socializing HCV, maintaining HCV areas, and routine patrols to maintain security. HCV, and species monitoring. In addition, based on interviews with employees and the surrounding community, it was found that they were aware of the presence of RTE species and HCV areas in the company's operational areas.

7.12.8

Based on the results of document verification, PT Bina Sains Cemerlang has done land clearing in period of November 2005 – November 2007 and December 2007-December 2009. HCV Identification activity was carried out in 2010, shown based on the HCVA Identification Report document, PT Bina Sains Cemerlang, carried out by an independent consulting agency (CV. POLLITO) in January 2010. Sime Darby Plantation Berhad, the parent of PT BSC, has made a disclaimer of liability according to a letter from the Head of PSQM Department on July 15, 2015, and has reported the results of Land Use Change Analysis (LUCA) in August 2015. Company shows evidence of follow-up communication with the RSPO regarding the LUCA review based on an email on 18 February 2022 from Indrawan Suryadi <indrawan.suryadi@rspo.org> to Nurul Hayati Ibrahim <nurul.hayati@sime-darbyplantation.com> which stated that "Please find the attached file of the final LUCA review result of PT Bina Sains Cemerlang from the reviewer. The LUCA status now is Pass, with Final Conservation Liability 0 ha, and Environmental Remediation Area 0 ha". Based on this email, PT Bina Sains Cemerlang's LUCA status was declared "Pass" by the RSPO with a Final Conservation Liability (FCL) of 0 ha and a remediation area of 0 ha. Until this surveillance 2.1 assessment, company did not conduct new land clearing activities or development of operational areas.

7.12.4	Status: Nonconformity No. 2023.5 with major category.
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3.2 Conformity Checklist of Certificate and Trademark Use

1.	Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client	X or √
ASA 2.1	The company didn't use logo and trademark of RSPO.	√
	Status: Comply	
2.	Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use	X or √
ASA 2.1	The company didn't use logo and trademark of RSPO.	√
	Status: Comply	
3.	Implementation of Certificate and Trademark is not used on product	X or √
ASA 2.1	The company didn't use logo and trademark of RSPO.	√
	Status: Comply	
4.	Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.	X or √
ASA 2.1	The company didn't use logo and trademark of RSPO.	√
	Status: Comply	

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia.</p> <p>Auditor Verification: Internal Audit report available for uncertified management unit.</p>
2.1.2	No replacement after dates defined in Nis Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company Group/Holding Statement: No replacement of primary forest or HCV or no new planting after Jan 1st, 2010, for all uncertified units except for PT Sime Indo Agro, Bukit Ajong Mill East* Estate /Sei Mawang Estate which is currently under RaCP. LUCA submitted and currently under review process by appointed reviewer by RSPO.</p> <p>Auditor Verification: Sime Darby Plantation Berhad sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2</p>

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

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

3.4.1. Identification of Findings, Corrective Actions and Observations at Re-Certification Assessment

NCR No.	:	2022.05	Issued by	:	Erika Lucitawati
Date Issued	:	22 July 2022	Time Limit	:	ASA-2.1
NC Grade	:	Minor	Date of Closing	:	18 September 2022
Standard Ref. & Requirement	:	3.3.3 Records of monitoring and any actions taken are maintained and available.			
Evidence observed (filled by auditor):					
<p>Based on result of field visits, the following were found:</p> <ul style="list-style-type: none">• Domestic waste piled up on vacant land around Division 3 Housing Complex of Bukit Pinang Estate• Domestic waste scattered along the ditch beside Division 3 Housing Complex of Sungai Pinang Estate.• 3 units of ex-oil drum and 1 unit of ex-paint packaging cans behind Division 3 Housing Complex of Sungai Pinang Estate.• Disposal of domestic waste in vacant land in front of the house No. 5 and house No. 7 at CHC Housing Complex Sungai Pinang Mill.• 1 unit of oil drum in Iron and Building Material Warehouse, 4 units of oil drum in Main Warehouse, and 1 unit of grease packaging at Security Post of Sungai Pinang Mill.• 2 points of ex burning household waste located in trash bin in front of house and vacant land in front of house No. 5 at CHC Housing Complex of Sungai Pinang Mill. <p>Results of interview with 3 residents of Sungai Pinang Mill CHC Housing stated that waste transportation is carried out every 1-2 times a week and there is a prohibition on burning household waste. In addition, waste that is dumped in the vacant land in front of the house and burned because wet domestic waste causes odors if stored in the trash can provided in front of the house.</p> <p>Based on this field observation result, company has presented the following documents:</p> <ul style="list-style-type: none">• Decree of Hazardous and Toxic Waste Storage Officer No. 0201.MGR/PT. BSC-SPF/I.2022 dated 3 January 2022 which contains appointment of the Hazardous and Toxic Waste Storage Officer at PT BSC-SPF who is Personnel Division personnel.• Decree of Head of Environment CHC SPF No. 202/MGR/PT. BSC-SPF/VII/2022 dated 21 July 2022 issued by Mill Manager SPF. Based on the document, there was a decision to appoint mechanical personnel as Head of the Environment CHC SPF with the task of ensuring that there is no burning and disposal of waste in any place, ensuring that waste is transported and collected according to schedule, conducting a checklist of waste bins, coordinating mutual cooperation once a month in the first week, and report conditions that are not in accordance with the regulations in CHC housing complex to Acting Sr. Assistant.• Documents for transferring 1 unit of oil drum packaging at Iron and Building Material Warehouse, 4 oil drums in the Main Warehouse, and 1 unit of grease packaging at the Security Post on 20 July 2022 to the Hazardous and Toxic Waste Storage.• Goods Delivery Note No. 07/SPE/B3/6/2022 dated 21 July 2022 regarding the transfer of 3 units of ex-oil drum @209 liters and 1 unit of ex-paint packaging cans @20 kg behind the house at Division 3 Housing Complex of Sungai Pinang Estate to Hazardous and Toxic Waste Storage. This has been recorded in the Hazardous and Toxic Waste Logbook and Balance Sheet for July 2022.• Warning Letter 1 (one) No. 01/SPE/DIV 3/Reprimand 1/Jul/2022 dated 20 July 2022 regarding a warning against a.n. SSW Employees at Division 3 Sungai Pinang Estate regarding the discovery of an ex-oil drum in the house in question. The employee gave a statement that the ex-oil drum did not belong to PT BSC but had to be purchased by himself. <p>Company has also procedures to manage its domestic and hazardous waste as follow:</p>					

- SOP for Hazardous Waste Management No. 5.3/BSC-PLB3/V16 Revision 03 dated 20 July 2022 which was approved by the Estate Manager and Factory Manager. The procedure states in point 7.a that, "Hazardous and toxic waste generated by each operational unit is transported to a licensed temporary hazardous and toxic waste storage area at the beginning of every month."
- SOP for Waste Management No. 33/PS/VII/2014 Revision 1 dated September 1, 2014 which was approved by the Estate Manager and Factory Manager. The procedure states the following:
 - Point V.1 states that, "Domestic waste is collected in trash bins that have been provided in the housing or work location."
 - Point V.8 states that, "Trash is only disposed of in the place provided. It is not allowed to throw garbage indiscriminately."
 - Point V.9 states that, "It is not permissible to burn the collected household waste."

Non-Conformance Description (filled by auditor):

Company has not shown evidence that the monitoring system and follow-up on procedures, particularly those related to waste management, have been fully operational.

Root Cause Analysis (filled by organization audited):

- Domestic waste piled up on vacant land around Housing Complex of Division 3 Bukit Pinang Estate. This is caused by the slow transport of garbage to landfill by garbage trucks, so the waste is dumped on vacant land far from the house.
- Domestic waste scattered along the ditch beside the Housing Complex of Division 3 Sungai Pinang Estate was caused by the absence of a monitoring officer for managing waste in the cottage.
- 3 units of ex-oil drum and 1 unit of ex-paint cans behind the house at Housing Complex 3 of Sungai Pinang Estate caused by the residents not fully understanding the management of hazardous and toxic waste and the absence of monitoring related to hazardous and toxic waste in housing area.
- Disposal of domestic waste in the vacant land in front of the house No. 5 and house No. 7 at the CHC Housing of Sungai Pinang Mill due to the slow pace of waste being transported to landfill by garbage trucks, so that the waste is disposed of on an empty land far from the house.
- 1 unit oil drum in the Iron and Building Warehouse, 4 oil drum in the Main Warehouse, and 1 unit of grease packaging at the Sungai Pinang Mill Security Post due to no monitoring related to hazardous and toxic waste that is outside the temporary hazardous and toxic waste storage area.
- 2 points of burning domestic waste located in the trash can in front of the house and vacant land, and also in front of the house No. 5 in CHC Housing Sungai Pinang Mill caused by the slowness of the garbage being transported to landfill by garbage trucks, so that the residents of the house burn the garbage.

Correction (filled by organization audited):

- Domestic waste piled on vacant land is transported to landfill (Documentation attached).
- Garbage scattered along ditch next to Housing Complex of Division 3 Sungai Pinang Estate is collected and transported to landfill (Documentation attached).
- 3 units of ex-oil drum and 1 unit of ex-paint cans behind the house at Housing Complex 3 of Sungai Pinang Estate are stored in licensed hazardous and toxic waste storage and recorded in hazardous and toxic waste logbook (Documentation attached).
- Domestic waste in vacant lot in front of the house No. 5 and house No. 7 at Sungai Pinang Mill CHC Housing collected and transported to TPSA (Documentation attached).
- 1 unit oil drum in Iron and Building Warehouse, 4 oil drum in Main Warehouse, and 1 unit of grease packaging at Sungai Pinang Mill Security Post stored in licensed hazardous and toxic waste storage and recorded in hazardous and toxic waste logbook (Documentation attached).

Corrective Action (filled by organization audited):

- An officer in charge of each housing complex is appointed to carry out monitoring related to domestic and hazardous waste and report to the Assistant Division for follow-up actions (Decree of monitoring officer for domestic and hazardous waste management, schedule of monitoring and activities and documentation of transporting waste to landfill is attached).

- Conduct socialization to householders, wives, and children of employees about waste management, prohibition of burning waste and management of domestic and hazardous waste produced by households (documentation of socialization activities is attached).
- Requesting commitment from all employees regarding compliance with domestic and hazardous in the form of a statement (employee statement attached).

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (30 August 2022)

Based on verification result, company has determined the root cause analysis, correction, and corrective actions against non-conformity in this indicator. However, the company has not attached supporting documents related to corrections and corrective actions that have been determined by the company. Thus, the non-conformity in this indicator is declared unfulfilled.

Auditor Verification (18 September 2022)

Based on verification result, company has shown the following documents:

Bukit Pinang Estate

- Documentation of Domestic Waste Transportation at Housing Complex of Division 3 BPE dated August 13, 2022.
- Documents for transferring 1 unit of oil drum packaging at the Iron and Building Warehouse, 4 oil drums in the Main Warehouse, and 1 unit of grease packaging at the Security Post on July 20, 2022, to Hazardous and Toxic Waste Storage.
- Results of Monitoring and Management of Domestic and Hazardous Waste that have been carried out every week at BPE (Housing Complex of Division 1, Division 2, Division 3, and Main Office/Traction) in August 2022 and show that trash cans are available, there is no garbage disposal outside the trash cans, and there is no burning of waste in all monitored points.
- Letter of appointment of PIC for domestic and hazardous waste monitoring, and prohibition of burning waste from BPE Manager dated August 1, 2022, for Housing Complex of Division 1 (No. Ist-02/BSC-BPE/VIII/2022), Housing Complex of Division 2 (No. Ist- 03/BSC-BPE/VIII/2022) and Housing Complex of Division 3 (No. Ist-04/BSC-BPE/VIII/2022).
- Socialization of Domestic and Hazardous Waste Management, and Prohibition of Burning Waste in BPE Employee Housing on 8-19 August 2022 to all BPE employees accompanied by photo documentation and attendance list.
- BPE Employee Statement Letter No. 04/BPE/VIII/2022 (Housing Complex of Division 1), No. 05/BPE/VIII/2022 (Housing Complex of Division 2), and No. 04/BPE/VIII/2022 (Housing Complex of Division 3) dated August 1, 2022, which was signed by each resident of the employee's house in each division. The document contains a statement that the householder will comply with the provisions for domestic and hazardous waste management in accordance with applicable procedures.

Sungai Pinang Estate

- Documentation of Domestic Waste Transportation at Housing Complex on August 13, 2022.
- Goods Delivery Note No. 07/SPE/B3/6/2022 dated July 21, 2022, regarding the transfer of 3 units of ex-oil drum @209 liters and 1 unit of ex-paint packaging cans @20 kg behind the house at Housing Complex 3 of Sungai Pinang Estate to Hazardous and Toxic Waste Storage. This has been recorded in the Hazardous and Toxic Waste Logbook and Balance Sheet for July 2022.
- Warning Letter 1 No. 01/SPE/DIV 3/Reprimand 1/Juli/2022 dated 20 July 2022 regarding warning against worker initial SSW at Division 3 Sungai Pinang Estate regarding the discovery of an ex-oil drum in the house. The employee gave a statement that the ex-oil drum did not belong to PT BSC but had to be purchased by himself.
- Letter No. Ist-01/BSC/Agr-SPE/VIII/2022 (Division 1), No. Ist-02/BSC/Agr-SPE/VIII/2022 (Division 2), No. Ist-03/BSC/Agr-SPE/VIII/2022 (Division 3), No. Ist-04/BSC/Agr-SPE/VIII/2022 (Traction), No. Ist-05/BSC/Agr-SPE/VIII/2022 (Main Office), and No. Ist-06/BSC/Agr-SPE/VIII/2022 (Nursery) from each assistant division dated August 1, 2022 regarding Appointment of PIC of Domestic and Hazardous Waste Management Monitoring Officer.
- Result of Monitoring Domestic and Hazardous Waste Management which have been carried out every week at SPE (staff emplacements, Housing Complex of Teras, Housing Complex of Asro, Housing Complex of Serumpun, and Housing Complex of Serasan) in August 2022 and show that trash cans are available, there is no garbage disposal outside the trash cans, and there is no burning of waste in all monitored points.

- Socialization of Domestic and Hazardous Waste Management, and Prohibition of Burning Garbage in Housing Complex of SPE on August 1, 2022, to all SPE employees. This has been accompanied by photo documentation and attendance list.
- SPE Employee Statement Letter No. I/SPE/VOOI/2022 (Division 1, Division 2, Division 3, and Headquarters & Traction) dated August 1, 2022, signed by each resident of the employee's house in each division. The document contains a statement that the householder will comply with the provisions for domestic and hazardous waste management in accordance with applicable procedures.

Sungai Pinang Mill

- Documentation of Evacuation of Waste Burning in housing No. 05 & No. 07 CHC Housing Complex of SPF.
- Documentation for transferring 1 unit of oil drum packaging at the Iron and Building Warehouse, 4 oil drums in the Main Warehouse, and 1 unit of grease packaging at the Security Post on 20 July 2022 to Hazardous and Toxic Waste Storage.
- Letter No. 002/Pjs Sr Assistant-SPF/VIII/2022 from Pjs Sr Assistant SPF dated August 1, 2022, regarding Appointment of PIC of Domestic and Hazardous Waste Management Monitoring.
- The results of the Monitoring of Domestic and Hazardous Waste Management which have been carried out every week in the CHC Housing Complex of Sungai Pinang Mill in August 2022 and show that trash cans are available, there is no garbage disposal outside the trash cans, and there is no burning of waste at all monitored points.
- Socialization of Domestic and Hazardous Waste Management, and Prohibition of Burning Garbage in Housing Complex of SPE on August 3, 2022 to all Sungai Pinang Mill employees. This has been accompanied by photo documentation and attendance list.
- Sungai Pinang Mill Employee Statement Letter No. 001/BSC-SPF/VIII/2022 dated August 1, 2022, signed by each resident of the employee's house. The document contains a statement that the householder will comply with the provisions for waste management and LB3 in accordance with applicable procedures.

In addition, the company has established root cause analysis, corrections, and corrective actions against non-conformity in this indicator. Based on this explanation, the non-conformity in this indicator is declared to have been fulfilled and will be observed again in the next assessment.

Follow up on next audit (filled by auditor):

Based on the results of the field visit on ASA-2.1, it is known as follows:

- The location for domestic waste collection and where there is a burnt container for domestic waste in the vacant land of the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Location of domestic waste collection on vacant land of Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Domestic waste disposed of in HCV area of Pinang River Block H10 Sungai Pinang Estate.
- Domestic waste scattered behind the Pondok Antigonon Division 3 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of behind the Pondok Turnera Division 2 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of outside the 75andfill pit with a distance of ± 50 m in Block K18 Division 3 Bukit Pinang Estate.

As a preventive action for previous discrepancies, the company has prepared the following documents:

- Checklist for Worker's Housing Sungai Pinang Estate Division 3 regarding the results of monitoring housing conditions conducted by Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there has been no burning of waste since December 2022-April 2023.
- Dissemination of waste management to employees which was attended by 96 participants on 21 June 2022 at Sungai Pinang Estate.
- Checklist for Worker's Housing Bukit Pinang Estate Division 3 regarding the results of monitoring housing conditions carried out by the Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there is no burning of waste in the January-April 2023 period.
- Dissemination of waste management to employees which was attended by all employees on 8-19 August 2022 Bukit Pinang Estate.

The company already has a Waste Management SOP procedure no. 33/PS/VII/2014 Revision 1 dated 1 September 2014 which was approved by the Estate Manager and Factory Manager. The procedure states the following:

- Point V.1 states that, "Household waste is collected in trash bins that have been provided in residential areas or work locations."
- Point V.8 states that, "Garbage is only disposed of in the places provided. It is not permissible to throw garbage anywhere."
- Point V.9 states that, "It is not justified to burn household waste that has been collected."

During the ASA-2.1 assessment, the company again showed evidence of improvement in the form of a checklist for monitoring housing conditions which is carried out every month and socialization on domestic waste management. However, the monitoring results are not in accordance with the conditions in the field so that domestic waste is still found in housing. Thus, the corrective actions shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively.

Thus, the company has not shown evidence that monitoring and follow-up records for domestic waste management have been carried out consistently and effectively. Thus, this has been nonconformity in ASA-2.1 and changed its status to Minor raised to Major. Further explanation below.

Verified by	:	Erika Lucitawati
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NCR No.	:	2022.06	Issued by	:	Erika Lucitawati
Date Issued	:	22 July 2022	Time Limit	:	21 October 2022
NC Grade	:	Major	Date of Closing	:	18 September 2022
Standard Ref. & Requirement	:	3.4.3 The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.			

Evidence observed (filled by auditor):

Based on the verification results of the Management and Monitoring (RKL-RPL) Implementation Report document for Second Semester of 2021 and First Semester of 2022, it can be concluded that all the management and monitoring parameters requested in the environmental document matrix have been implemented. Several things can be concluded from the results of the review of the RKL-RPL document for Second Semester of 2021 and First Semester of 2022, including:

- Preventing soil, water, and air pollution by reducing the use of chemicals, managing waste properly, and complying with proper waste disposal in each area.
- Carry out efforts to save the environment by protecting areas important for environmental sustainability, such as river borders.
- Manage and monitor the impact of potential land and land fires.
- Manage and monitor the quality of soil, air, water, and other disturbances.
- Utilizing solid waste from palm oil mills as a substitute for fertilizers and fossil fuels.

Company has shown the RKL-RPL Implementation Reports for Semester 2 of 2021 and Semester 1 of 2022 which have included all the parameters included in the RKL-RPL matrix in the 2007 AMDAL document. Environmental monitoring test results are as follows:

RKL-RPL Implementation Report for Semester 2 of 2021:

- Results of surface water quality testing that exceed the quality standards set out in Government Regulation (PP) No. 22 of 2021 Annex VI Class I at upstream point of Pinang River (color, ammonia, and dissolved iron), downstream of Pinang River (color, DO, TSS, ammonia, dissolved iron), upstream of Durian River (color, BOD, ammonia, dissolved

iron, and dissolved manganese), as well as downstream of Durian River (color, DO, BOD, COD, ammonia, dissolved iron, and dissolved manganese).

- Results of monitoring well water quality testing that exceed the quality standards set out in Health Minister Regulation (Permenkes) No. 32 of 2017 at the point of land application monitoring wells, non-land application monitoring wells, and resident wells with pH and fecal coliform parameters.

Report on Implementation of Management and Monitoring (RKL-RPL) Semester 1 of 2022:

- Results of surface water quality testing that exceed the quality standards set out in Government Regulation (PP) No. 22 of 2021 Appendix VI Class I at upstream point of Pinang River (color parameters, DO, TSS, BOD, ammonia, dissolved iron, and free chlorine), downstream of Pinang River (color, DO, TSS, ammonia, dissolved iron, and free chlorine), upstream of Durian River (pH, DO, BOD, ammonia, manganese, and free chlorine), and downstream of Durian River (pH, DO, ammonia, and free chlorine).
- Results of monitoring well water quality testing that exceed the quality standards set out in Health Minister Regulation (Permenkes) No. 32 of 2017 at the point of land application monitoring wells, non-land application monitoring wells, and resident wells with pH and fecal coliform parameters.

Regulation Reference:

Based on Decree of Minister of Environment No.45 of 2005 concerning Guidelines for Writing RKL-RPL Reports, company compiles report document on the implementation of management and monitoring (RKL-RPL) with minimum requirements containing an evaluation form which can be included Evaluation of Trends, Critical Levels and Compliance which are discussed for monitored aspects. Based on results of the document review, those two reports of implementation of management and monitoring (RKL-RPL) above have not included an evaluation of the test results that exceed these quality standards.

Non-Conformance Description (filled by auditor):

Company has not shown evidence of having compiled reports in accordance with applicable regulations.

Root Cause Analysis (filled by organization audited):

It has not included evaluation of test results that exceed the quality standard in Implementation of Management and Monitoring Report due to the absence of a designated officer in the preparation of Implementation of Management and Monitoring Report. Implementation of Management and Monitoring Report currently is carried out by the SPF office admin who does not understand the preparation of reports in accordance with regulations applicable.

Correction (filled by organization audited):

Evaluation of the test results that exceed the quality standard is carried out and reported back to the relevant agency (evaluation report has been submitted to relevant agency).

Corrective Action (filled by organization audited):

Appointed officers in the preparation of Implementation of Management and Monitoring Report to officers who understand the procedures for preparing Implementation of Management and Monitoring Report based on Minister of Environment Decree No. 45 of 2005 (Decree of PIC Appointment for Implementation of Management and Monitoring Report preparation is attached).

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification (30 August 2022)

Based on verification result, the company has determined the root cause analysis, correction, and corrective actions against non-conformities in this indicator. The company has presented the following documents:

- Implementation of Management and Monitoring Report for Semester 2 2021 which has been evaluated. The evaluation includes the parameters contained in the Management and Monitoring Plan matrix owned, such as air and noise quality, surface water quality, local economic activities, community attitudes and perceptions, social processes, environmental sanitation, spread of infectious diseases, land fires, and flora and fauna. Result of document review shows that evaluation of the quality parameters of surface water and monitoring well water is still not in accordance with the results of the quality test of surface water and monitoring well water in Semester 2 2021 which has been carried out by the company as contained in the evidence observed by the auditor above.

- Implementation of Management and Monitoring Report for Semester 1 2022 that has been evaluated. The evaluation has covered surface water and wastewater quality parameters. The results of the document review show that the evaluation of the surface water quality parameters is still not in accordance with the results of the Semester 1 2022 surface water quality test that has been carried out by the company, namely the evaluation of parameters that exceed the quality standards and monitoring locations as contained in the observed evidence by auditor. In addition, there has been no evaluation of the quality of monitoring well water that has been carried out by the company in Semester 1 2022.
- Proof of sending revised Implementation of Management and Monitoring Report for Semester 2 2021 and Semester 1 2022 to Environmental Agency of Musi Rawas District on August 16, 2022.
- Letter No. Ist-02/BSC-SPF/VIII/2022 dated August 1, 2022, issued by the Mill Manager regarding the appointment of the PIC for Compiling Implementation of Management and Monitoring Report at PT Bina Sains Cemerlang, namely the Head of Administration for SPF.

Based on the explanation above, the non-conformity in this indicator has not been fulfilled.

Auditor Verification (18 September 2022)

Based on verification result, company has shown the following documents:

- Implementation of Management and Monitoring Report for Semester 2 2021 which has been evaluated. The evaluation includes the parameters contained in the Management and Monitoring Plan matrix owned, such as air and noise quality, surface water quality, local economic activities, community attitudes and perceptions, social processes, environmental sanitation, spread of infectious diseases, land fires, and flora and fauna. The results of the evaluation of the water quality parameters of the monitoring wells with pH and faecal coliform parameters that exceeded the specified quality standards were caused by the presence of water runoff from the vicinity that entered the well. The follow-up to this is to maintain ground cover around the well so that rainwater can be restrained and does not enter the well. The results of the evaluation of surface water quality parameters in the upstream and downstream of the Pinang and Durian rivers that exceed the quality standards set are caused by the flow of rainwater from clay soil in PT BSC plantations, rainwater runoff from community settlements to the river and the influence of the number of leaves and tree branches into the river. The follow-up to this is that the company maintains the boundaries on the right and left of the river, does not throw garbage into the river, and ensures that there is no leakage of wastewater from the WWTP.
- Proof of sending revised Implementation of Management and Monitoring Report for Semester 2 2021 and Semester 1 2022 to Environmental Agency of Musi Rawas District on August 16, 2022.
- Letter No. Ist-02/BSC-SPF/VIII/2022 dated August 1, 2022, issued by the Mill Manager regarding the appointment of the PIC for Compiling Implementation of Management and Monitoring Report at PT Bina Sains Cemerlang, namely the Head of Administration for SPF.

In addition, the company has established root cause analysis, corrections and corrective actions against non-conformities in this indicator. Based on this explanation, the discrepancy in this indicator is declared to have been fulfilled.

Verified by	:	Erika Lucitawati
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3.4.2. Identification of Findings, Corrective Actions and Observations ASA-2.1 Assessment

NCR No.	:	2023.1	Issued by	:	Sentot Adi Subandono
Date Issued	:	May 27, 2023	Time Limit	:	ASA-2.2
NC Grade	:	Minor	Date of Closing	:	August 07, 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):

- SOP on Legal Compliance Requirements for Third Parties (document No. 001/BSC-PPHK/I/22 dated 22 January 2022 which describes parties responsible for ensuring third party legal compliance, procedures for monitoring compliance and evaluation of such monitoring.
- The results of the document review found that the company already has a list of contractors that work with the company as many as 6 contractors. The company shows examples of Cooperation agreements with third parties, namely CV Halid Berkah Sejahtera, CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam, and CV Semangus Indah Express. The agreement has stated the third party’s obligations to comply with applicable laws and regulations such as the application of OHS, BPJS for workers, worker licenses, PPE, the obligation to pay taxes, and other provisions.

BPJS Health and Employment of Contractor Employees

- Law number 40 of 2004 concerning National Social Security regulates, among other things, that employers gradually register themselves and their workers as BPJS participants.
- There are differences in the contents of the SPK clause regarding BPJS membership. The SPK of CV Halid Berkah and CV Semangus Indah Express which includes BPJS Health and employment, while the other SPK only regulates BPJS employment.
- Document review results are also known:
 - CV Semangus Indah Express, there is a list of workers for the 2023 period which informs that there are 12 workers, with 4 workers not having BPJS Employment, 1 person not having BPJS Health, and 4 people currently in the process of registering for BPJS Health. Meanwhile in the document “monitoring third party compliance” to the relevant legal requirements, it is informed that participation in the BPJS Employment and Health program is complete.
 - PT MKJP, the results of field observations and interviews show that there are 17 workers. However, only 5 people were shown in the worker list document, and only 2 people had Health and Employment BPJS.
- Results of interviews with management representatives of CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam informed that not all workers were registered with BPJS Employment and Health, and for CV Asa Gading Perdana and PT Mitra Karya Jaya Perdana the results of compliance monitoring could not be shown third party.

Wages according to UMK

- Decree of the Governor of Sumatera Selatan number 908/KPTS/DISNAKERTRANS/2022 stipulates that the Musirawas UMK is Rp. 3,536,218 as the basis for payment of wages.
- PP 35 of 2021 regulates that wages are workers’ rights that are paid by employers based on regulations.
- The results of the document review found that there were 2 salary slips for contractor workers at CV Halid Berkah Sejahtera for April 2023 whose value was below the Musirawas UMK, namely Rp. 3,536,218. The salary slip with the initials MS for 24 working days is Rp.2,953,074 and the initials Sy are for 24 working days with a value of Rp. 3,023,074 which is the gross salary, namely salary without any deductions.

Work Relations between contractors/outsourcers and workers

- PP No. 35 of 2021 article 18 regulates the working relationship between outsourcing companies and their employees based on PKWT/PKWTT in writing.

- Based on the results of the document review, it was found that documents on the working relationship between contractors and workers have not been shown for all contractors who work with the company.
- The results of interviews with CV Asa Gading Perdana, PT Mitra Karya Jaya Perdana, CV Putra Sungai Gelam found that not all contractor workers have a work agreement with the contractor.

Non-Conformance Description (filled by auditor):

Based on this, it is known that The CH has not been able to show that all third parties who cooperate in operational activities have fulfilled relevant legal obligations and can be proven by the third party concerned.

Root Cause Analysis (filled by organization audited):

PIC has not yet been shown to evaluate compliance with third party legal requirements for each unit.

Correction (filled by organization audited):

Evaluate compliance with legal requirements for all existing contractors.

Auditor Verification 07 June 2023: OK, please show the proof
Auditor Verification 25 June 2023

The company shows evidence of improvement as follows:

- List of PT BSC third parties for the period 2022 to 2023, as follows:
 - CV Semangus Indah Sejati, a contractor for transporting CPO and PK with a total of 12 workers.
 - CV Putra Sungai Gelam, a G6 house construction contractor with 3 workers.
 - CV Halid Berkah Sejahtera, lawn mowing contractor and Estate manager, with 2 employees.
 - CV Asa Gading Perdana, a G6 house construction contractor, with a total of 18 workers.
 - PT MKJP, a replanting contractor with 17 employees.
- SPF Contractor Documents**
 - CV Halid Berkah Sejahtera**
 - List of third-party workers, consisting of 2 people.
 - Proof of BPJS Health payment, not informed to anyone.
 - Minutes of PPE handover in the form of safety helmets, safety shoes, goggles, and gloves.
 - Work agreement letter number 002/BSC-SPF/Potong Grass/II/2023 dated 28 February 2023 between PT BSC and CV Halid Berkah Sejahtera which regulates, among other things, technical work and compliance with labor regulations such as not hiring underage workers, wages, payments BPJS Health and employment, as well as the use of appropriate PPE.
 - A specific time work agreement (PKWT) between CV Halid Berkah Sejahtera and MS and Sy workers which regulates a daily wage of IDR 141,449. -/day; 6 working days 40 hours a week, or a monthly salary of Rp. 3,536,218. CV Berkah Sejahtera will register its workers for JKK, JKM and BPJS Kesehatan.
 - Absenteeism of CV Halid Berkah Sejahtera employees in April 2023, with the initials MS and Sy. It was informed that MS and Sy worked during April as many as 24 working days, with days not coming to work on the 2nd, 9th, 16th, 23rd and 30th which were Sundays, and April 22 2023 which was Saturday which was Eid al-Fitr . It is also known that workers come to work on April 7, 2023 which is the national holiday "Death of Isa Al-Masih". Also informed that the daily salary is IDR 117,874. This value is different from the SPK between companies and workers. Simulation as follows:

Name	Work Day	Daily Wage	Wages Received	BPJS Kes	BPJS TK	Total
MS	24	117,874	2,828,976	105,000	19,100	2,953,076
Sy	24	117,874	2,828,976	175,000	19,100	3,023,076

Wages calculation simulation, excluding BPJS calculations

Name	Work Day	Daily Wage	1 month wage	Wage	Over Time	Total	information
MS	24	141,449	3,536,218	3,536,218	286,168	3,822,386	Over time (07 April '23-7 WH), Free Idul Fitri (22 April '23)
Sy	24	141,449	3,536,218	3,536,218	286,168	3,822,386	

Based on this, it is known that the payment of workers' wages is not in accordance with the *SPK* they have.

- Monitoring of Third-Party Compliance with relevant legal requirements in 2023, it is known that not all workers have joined *BPJS* for Health and Employment (12 workers), and have not been able to show proof of worker payment. There is new information that CV Halid's employees total 12 workers, while the information in the employee data contains only 2 workers. To be sure to return.

Compliance document (Auditee):

1. Revision of PT BSC *SPK* with CV Halid Berkah Sejahtera
2. Revision of *SPK* CV Halid Berkah Sejahtera with its Employees (M. Saikoni):
 - Article 3- 3.1 (Remuneration)
 - Articles 4 – 4.1 (*BPJS* Payment) & 4.3 (Not hiring underage workers)
 - Article 7- 7.4 (Provision of PPE to Workers)
3. Revised *SPK* CV Halid Berkah Sejahtera with its Employees (Sayudi):
 - Article 3- 3.1 (Remuneration)
 - Articles 4 – 4.1 (*BPJS* Payment) & 4.3 (Not hiring underage workers)
 - Article 7- 7.4 (Provision of PPE to Workers)
4. Justification for payment of wages under the *UMK*
5. Certificate of the number of employees of CV Halid Berkah Sejahtera
6. Certificate of payment of *BPJS* CV Halid Berkah Sejahtera.

Auditor Verification 19 July 2023

The company shows evidence of improvement, as follows:

- Revision of *SPK* 002/BSC-SPF/Potong Grass/II/2023 dated 28 February 2023, revision with the addition of a prohibition on the employment of minors and wages of Rp. 117,874. Note: revised *SPK* with the same date and *SPK* number. Please confirm Return → revised with Addendum No. Add-01/BSC-SPF/HBS/VII/2023 (document 13.a)
- Revision of the specified time work agreement (*PKWT*) between CV Halid Berkah Sejahtera and MS and Sy workers which regulates a daily wage of IDR 141,449. -/day revised to IDR 117,874, -/day for 6 working days for 1 week, or 1 month wage IDR 3,536,218, → revised with Addendum No. Add/HBS/VII/2003/001-*SPK PKWT* a/n M.Saikoni and No. Add/HBS/VII/2023/002-*SPK PKWT* a/n Suyudi Document 13.b.c, *BPJS* employment registration and the KIS program, paying workers according to applicable laws. Note (1): The daily wage is IDR 117,874, - equivalent to the *UMK* IDR 3,536,218, - divided by 30 days. Meanwhile in PP 36 of 2021 article 17 regulates the daily wage system for 6 working days, namely UML divided by 25 so that a figure of IDR 141,448.72 is found. Please confirm again → Document 13.d revision with proof of calculation of details of wages and proof of underpayment to workers in April, May, and June 2023. Note (2) the *SPK* revision number and date are still the same as the evidence examined during the audit. Note (3) in the revision document, the calculation of overtime to ensure compliance with regulations → revised with Addendum No. Add/HBS/VII/2003/001-*SPK PKWT* a/n M.Saikoni and No. Add/HBS/VII/2023 /002-*SPK PKWT* a/n Suyudi- article 2-Documents 13.b.c
- Justification for payment of wages for CV Halid Berkah Sejahtera workers in April 2023, explaining, including the following:
- Both workers do not come to work for 6 working days in the month, so 24 working days x Daily wages Rp. 117,874, equivalent to Rp. 2,828,976, -. If you enter 30 days, then the salary is 30 working days x Rp. 117,874, = Rp. 3,536,220. Note (1) this is further strengthened if the daily wage system does not refer to PP 36 of 2021. Note (2) – according to the previous verification note – Employers do not pay attention to aspects of weekly holidays and national holidays. Note (3) – according to the previous verification note – workers entered on April 7 2023 which is the national holiday "Death of Isa Al-Masih" → revision with proof of calculation of Wage Details and Proof of Underpayment Payment to workers in April 2023-Documents 13.d

- Statement letter on the number of employees for July 2023 stating that there are 2 employees at CV Halid Berkah Sejahtera, with the initials MS and Sy and BPJS Health payments for the two workers. Note: please show proof of registration/payment for Employment BPJS → already paid Document 13.e Proof of payment for BPJS Health and Document 13.f Proof of payment for Employment BPJS.

Auditor Verification 31 July 2023

The company shows additional evidence of improvement, as follows:

- Addendum to SPK PT BSC with CV Halid Berkah, with number Add-01/BSC-SPF/HBS/VII/2023 dated 20 July 2023 for SPK number 002/BSC-SPF/HBS/VII/2023 changes concerning second party obligations (CV Halid Berkah) to register their workers in employment and health insurance and not pay labor wages below the UMK. –ok
- Addendum to SPK CV Halid Berkah with the initials MS, with number Add/HBS/VII/2023/001 dated 20 July 2023 for SPK number 01/SPK/CV.HBS/III/2023 changes concerning payment of wages according to the Governor's Decree concerning UMK worth Rp. 3,536,218/month or Rp.141,449/day.
- Addendum to SPK CV Halid Berkah with initials Sy, with number Add/HBS/VII/2023/002 dated 20 July 2023 for SPK number 02/SPK/CV.HBS/III/2023 changes regarding payment of wages according to the Governor's Decree concerning UMK worth Rp. 3,536,218/month or Rp.141,449/day.
- Details of wages and proof of payment for workers with the initials MS and Sy for the period April to June 2023 which have accommodated the UMK and overtime calculation according to regulations, but proof of payment of the underpaid has not been shown □ Documents available in Appendix 13.d Justification of wages and Proof of Payment. Documents as follows:
 - April 2023 period: underpaid MS amounted to IDR 1,032,401 and Sy amounted to IDR 962,401.
 - May 2023 period: underpaid MS amounted to Rp.772,898 and Sy amounted to Rp. 772,898.
 - June 2023 period: underpaid MS of Rp.890,772 and Sy of Rp. 890,772.
- Proof of BPJS Health payment for workers initials MS and Sy for the period May 2023.
- BPJS Employment membership card for the period May 2023 with the initials MS and Sy.

Auditor Verification 07 August 2023

The company shows additional proof of improvement in the form of proof of acceptance of Contractor workers for the deficiencies that have occurred, on July 20, 2023.

2. CV Putra Sungai Gelam

- Work agreement letter number 005/RumahBSC-SPF/I/2023 dated 09 January 2023 between PT BSC and CV Putra Sungai Gelam which regulates, among other things, technical work and compliance with labor regulations such as not employing underage workers, wages, BPJS employment payments, as well as the provision of appropriate PPE.
- PKWT between Zw (Director of CV Putra Sungai Gelam) and MK (number 041/CV.PSG/I/2023) and with TA (number 042/CV.PSG/I/2023) which states that among others the wage is Rp. 3,200,000/month (note: not in accordance with the UMK Rp. 3,536,218. However, there is a meal allowance of Rp. 15,000/day); deduction of BPJS Employment and Health costs; incentive to work outside normal working hours' worth Rp. 30,000. / Hours and multiples apply (does not use overtime calculations). Document 14.b.-Addendum No.01/Add/SPK/CV.PSG/VII/2023 a/n Miptakhul Khairi and Document 14.c Addendum No.02/ Add/SPK/CV.PSG/VII/2023 a/n Tutik Anggraini Also attached are BPJS Employment and KIS Cards a.n MK and TA. In addition, MK and TA salary slips were also attached which were signed on May 4, 2023 by the cashier with the initials At, which consisted of basic salary (Rp. 3,200,000), meal allowances (Rp. 15,000 x 20 days = Rp. 300,000) and BPJS deductions so that the total amount received by MK IDR 3,403,091 (BPJS TK and Kes deductions) and AT IDR 3,435,394 (BPJS TK deductions – BPJS Kes with husband). Note; There is a cashier with the initials At who has not been included in the labor list and the calculation of hourly incentives outside working hours is less than hourly overtime.
- List of third-party workers, consisting of 3 people, with the initials Zw (Director), MK (Admin), and TA (Admin). There is a cashier with the initials at who has not been included in the labor list. In addition, the list of workers (handymen) who worked on building housing according to the SPK was not shown. □ Document 14.e Registration for BPJSTK Housing Development Project G6 page 3.
- Monitoring third party compliance with relevant legal requirements, such as completeness of legal aspects, integrity pacts, legality with workers, PPE, BPJS employment membership, and wage compliance.
- Evaluation of legal requirements for third parties in 2023 regarding employment, BPJS and employment. However, the SPK between third parties and their workers, the calculation of hourly incentives is not in accordance with the calculation of overtime according to regulations, and not all workers have made work agreements.

- Bank payment proof of Rp. 604,602. Who are not informed of their needs.
- Proof of *BPJS Kesehatan* payment through *BNI*, but no information on payment for how many workers
- Minutes of handing over the distribution of PPE for MK and TA workers in January 2023.

Fulfillment Documents:

1. Revision of PT BSC SPK with CV. Putra Sungai Gelam.
2. Letter of Statement of CV. Putra Sungai Gelam.
3. Justification of wages and calculation of overtime in terms of working hours
4. Employment BPJS payment certificate of IDR 604,602.
5. Revision of PKWT SPK with CV. Sungai Anak Gelam:
 - Articles 3 – 3.1 (Remuneration)
 - Articles 4 – 4.1 (*BPJS* Payment) & 4.3 (Not hiring underage workers)
 - Articles 7 – 7.4 (Provision of PPE)
6. Revision of PKWT SPK with CV. Putra Sungai Gelam:
 - Articles 3 – 3.1 (Remuneration)
 - Articles 4 – 4.1 (*BPJS* Payment) & 4.3 (Not hiring underage workers)
 - Articles 7 – 7.4 (Provision of PPE)

Auditor Verification 19 July 2023

The company shows evidence of improvement, as follows:

- Revised *SPK* number 005/RumahBSC-SPF/II/2023 dated 09 January 2023 concerning not employing minors. Note: (1) Revision of the *SPK* but the date of the *SPK* still uses the same date the *SPK* was made. (2) *BPJS* Health membership is not yet included in the *SPK*. Please check again → Document 14 an Addendum No. Add-02/BSC-SPF/PSG/VII/2023.
- Statement letter from CV Putra Sungai Gelam employee stating that the Administrative Personnel/Cashier is Tutik Anggraini. Note: for the pay slip signed by the cashier with the initials At (Agustiani) – which is not on the list of workers, with the following evidence: → Document 14.d Confirmation a/n Agustiani from the Contractor.

Slip Gaji

Nama : Miptahul Khairi
Jabatan : Administrasi

* GAJI POKOK	Rp	3.200.000
* TUNJ. JABATAN	Rp	-
* TUNJ. MAKAN 15.000,- x 20 Hari	Rp	300.000
* TUNJ. TRANSPORT	Rp	-
	Rp	3.500.000
* Potongan BPJS (Kes dan TK)	Rp	(96.909)
	Rp	3.403.091

Demikian Surat Keterangan Penghasilan ini dibuat, untuk dapat dipergunakan seperlunya.

Jambi, 04 Mei 2023
CV. Putra Sungai Gelam

Agustiani
Kasir

- Justification of wages and calculation of overtime CV Putera Sungai Gelam – July 2023: Calculation of the value of incentives outside working hours has been received. Note: (1) The calculation of the daily wage is IDR 3,200,000 divided by 26 days, which is IDR 123,000. If you add in the meal incentive of IDR 15,000, it equals IDR 138,000. In accordance with PP 36 of 2021 the daily wage is UMK/25 (for 6 working days for 1 week), which is IDR 141,448.72. While in the *SPK* (article 11) it has been regulated regarding paying workers in accordance with applicable laws and regulations □ Document 14.h Revision of Justification Calculation of wages, Incentives outside working hours (overtime).
- Certificate of payment for Employment BPJS in the amount of IDR 604,602 for workers with the initials MK and TA. Note: Not yet shown for payment of *BPJS* for Employment and Health for builders □ Document 14.f.g Letter of

determination from *BPJS* regarding payment obligations for *BPJS* Construction Services according to Regulation of the Minister of Manpower Number 44 of 2015 and *KIS* Builders.

- *PKWT* between CV Putra Sungai Gelam and MK (number 043/CV.PSG/II/2023) and with TA (number 042/CV.PSG/II/2023) such as monthly and daily *YMK*, meal incentives, incentives outside working hours, and *BPJS* Employment and Health (*KIS*) membership. Note: (1) A monthly wage of Rp. 3,200,000. – or a daily Rp. 123,000. – is added with a daily meal incentive of Rp. 15,000. – which is less than the *UMK*/25 working days (according to PP 36 of 2021).

Auditor Verification 31 July 2023

The company shows additional evidence of improvement, as follows:

- Addendum to *SPK* PT BSC with CV Putra Sungai Gelam, with number Add-02/BSC-SPF/PSG/VII/2023 dated 20 July 2023 for *SPK* number 005/Rumah/BSC-SPF/II/2023 changes concerning second party obligations (CV Putra Sungai Gelam) to enroll its workers in employment and health insurance.
- Confirmation of employment by Agustianid RI, Director of CV Putra Sungai Gelam dated July 24, 2023, that the person concerned is working for another company owned by the Director, and at that time the person concerned was in charge of managing the salary of CV Putra Sungai Gelam workers.
- Justification for calculating wages, incentives outside of working hours on 21 July 2023 which explains the receipt of wages of Rp. 3,200,000 per month and food allowance of Rp. 3,575,000 which means that it is above the *UMK* of Rp. 3,536,220. And the calculation of melting per hour already refers to the regulations.
- Evidence of *BPJS* of Employment registration for the CV Putra Sungai Gelam Construction Services Project for 19 workers as of May 25, 2023 which covers Work Accident Benefits (*JKK*) and Death Benefits. The 19 workers include Security, Builders, Workers, Foremen, Drivers, and Field Executors.
- Proof of *BPJS* *KIS* membership for 19 workers.

3. CV Semangus Indah Express

- Work agreement letter number 010/Transportation of CPO PK/BSC-SPF/VI/2022 dated June 1, 2022 between PT BSC and CV Semangus Indah Express which regulates, among other things, technical work and compliance with labor regulations such as not hiring underage workers, wages, *BPJS* employment payments, as well as the provision of appropriate PPE.
- *PKWT* letter between CV Semangus Indah Express and DK (number 033/SPK/CV.SI/VI/2022) as a mechanic; AH (number 028/SPK/CV.SI/VI/2022) as Admin; RA (number 026/SPK/CV.SI/VI/2022) as Employee; BA (number 025/SPK/CV.SI/VI/2022) as Admin; RE (number 027/SPK/CV.SI/VI/2022) as a Mechanic; VAM (number 029/SPK/CV.SI/VI/2022) as Admin; YM (number 030/SPK/CV.SI/VI/2022) as Admin; Ahs (number 032/SPK/CV.SI/VI/2022) as a mechanic; AI (number 034/SPK/CV.SI/VI/2022) as Mechanic; KI (number 035/SPK/CV.SI/VI/2022) as Mechanic; SD (number 036/SPK/CV.SI/VI/2022) as a mechanic; and VS (number 037/SPK/CV.SI/VI/2022) as a Mechanic stating that the wages are Rp. 3,500,000/month (get food allowance); working hours 40 hours a week; overtime calculations, Employment and Health *BPJS*; and provision of PPE. *BPJS* *TK* and *KIS* have been attached for all of them, as well as salary slips for the April 30 2023 period above the *UMK*.
- List of third-party workers, consisting of 12 admin and mechanic workers. Not yet shown the list of driver workers and examples of *SPK* with drivers.
- Proof of *BPJS* Health payment for May 2023.
- Minutes of PPE handover.
- Monitoring third party compliance with relevant legal requirements for the 2023 period, such as the completeness of legal aspects, integrity pacts, legality with workers, PPE, *BPJS* employment membership, and wage compliance.
- Evaluation of legal requirements for third parties in 2023 regarding employment, *BPJS* and employment.

Fulfillment Documents:

1. Revision of *SPK* PT. BSC with CV. Semangus Indah Express
2. Example of *SPK* driver with CV Semangus Indah Express.
3. List of CV transportation workers. Semangus Indah Express.

Auditor Verification 19 July 2023

The company shows evidence of improvement, as follows:

- Revision of *SPK* 010/Transportation of CPO PK/BSC-SPF/VI/2022 dated 01 June 2022 regarding the addition of the *BPJS* Kesehatan membership clause. Note: The revision date is still the old date. Please confirm Return-Documents 15. A Addendum No. Add-03/CPO-PK/BSC-SPF/VII/2023
- CV Semangus Indah's *PKWT* letter with ES (number 040/SPK/CV.SI/VI/2022) as a driver, covering *BPJS* employment and health membership, not employing minors, and the obligation to follow K3 instructions.
- List of 12 drivers who are members of CV Semangus Indah, equipped with B1 *SIM* and *STNK* documents. Note: Proof of payment for Employment *BPJS* has not been shown, *BPJS* for Health-for *BPJS* is in the process of being managed by the contractor and distribution of PPE for all drivers-Documents 15.c Minutes of Handover of PPE for Drivers.

Auditor Verification 31 July 2023

The company shows additional evidence of improvement, as follows:

- Addendum to *SPK* PT BSC with CV Semangus Indah Express, with number Add-03/CPO-PK/BSC-SPF/VII/2023 dated 20 July 2023 for *SPK* number 010/Transportation of CPO PK/BSC-SPF/VI/2023 amendment concerning the obligation of the second party (CV Semangus Indah Express) not to employ minors and to register their workers in employment and health insurance.
- Minutes of handover of PPE 12 drivers in the form of safety helmets and safety shoes on April 11, 2023.
- Not yet shown proof of payment for *BPJS* Employment and *BPJS* Health for the 12 drivers □ documents attached proof of Registration for *BPJS* Employment and *KIS*, Certificate a/n Aka Mura.

Auditor Verification 07 August 2023

Proof of Employment *BPJS* registration has been shown in the e-dabu application for 12 workers, as well as *BPJS* Health membership or equivalent (PBI, etc.). A statement letter from CV Semangus Indah has also been shown, if the driver with the initials AM has resigned from the company.

BPE Contractor Documents → CV MKJP (Replanting)

- List of employees for the period 2022 – 2023 totaling 17 workers.
- 17 *SPK PKWT* workers have been shown, consisting of Operators, Helpers, Welders with a salary of IDR 3,320,000 and a meal allowance of IDR 35,000/day; *BPJS* and TK membership; as well as PPE.
- Monitoring compliance of third parties with relevant legal requirements.
- Evaluation of legal requirements on third parties
- Details of *BPJS* TK and Health payments, along with proof of payment for *BPJS* TK and Health for the April 2023 period.
- Salary slips for 17 workers showing salaries above the *UMK*.
- List of SIO Operators
 - Wili Yandi (Excavator) – has been shown
 - Jumiadi (E xcavator) – has been shown
 - Joko Purnomo (E xcavator) – has been shown
 - Legino (Bulldozer) – not yet shown
 - Sujono (Bulldozer) – not yet shown
 - Suprayetno (Bulldozer) – not yet shown
 - Yensen Afrianto (Excavator) – not yet shown
 - Diki Wahyudi (E xcavator) – not yet shown.

Compliance documents:

1. Employee change certificate No. 224/MKJP/PKU/VI/2023
2. SIO MKJP Heavy Equipment Operators
3. The following is a list of SIO updates:
 - Legino (Bulldozer) – SIO available
 - Sujono (Bulldozer) – SIO available
 - Suprayetno (Bulldozer- expired 01 June 2023), replaced by Retno Nisfiyati – SIO available
 - Yensen Afrianto (Excavator) – SIO available
 - Diki Wahyudi (E xcavator- out of contract 01 June 2023), replaced by Agus Nugroho – SIO available.

Note: The replacement of MKJP contractor workers is stated in the MKJP Work Certificate No.224/MKJP/PKU/VI/2023.

Auditor Verification 19 July 2023

The company shows evidence of improvement, as follows:

- Work Certificate from HRD PT MKJP number 224/MKJP/PKU/VI/2023 dated 01 June 2023 concerning the replacement of excavator operators namely Diki Wahyudi and Suprayetno with Agus Nugroho and Retno Nisfiyadi as of 03 January 2023.
- List of SIO Operators:
 - Legino (Bulldozer) – already shown
 - Sujono (Bulldozer) – already shown
 - Yensen Afrianto (Excavator) – already shown
 - Retno Nisfiyadi (Bulldozer) – already shown
 - Agus Nugroho (Bulldozer) – already shown
 - Retno Nisfiyadi (Bulldozer) – already shown

Note MKJP:none

SPE Contractor Documents → CV Asa Gading Perdana (Housing Development)

- 18 *SPK PKWT* production workers have been shown, which include wages according to company regulations, BPJS TK and Health, and PPE.
- Photocopies of 18 workers' KTPs
- Employee wage slips paid weekly (period 15 to 20 May 2023). For the head handyman Rp. 200,000 per day; Handyman IDR 170,000 per day; and KeneK Rp. 130,000 per day. If referring to the UMK Rp. 3,536,218, then Rp. 141,448.72 per day, which means that the keneK's daily wage is still below the Musirawas Daily *UMK*. There are KeneK with the initials HG, AJP, ZA, MZ, Sp, Sh, Ac, MRFH, and CK who get a daily wage of IDR 130,000 which is not in accordance with the Musirawas Daily *UMK*.
- Minutes of PPE handover on 15 May 2023 for 20 workers.
- Monitoring third party compliance with relevant legal requirements.
- Evaluation of legal requirements on third parties, but KeneK's daily wage has not been discussed below the Musirawas daily *UMK*.
- Proof of June 2023 Health Payment and May 2023 Construction *BPJS*.

Conclusion:

There are still notes (bold) to be clarified. Return to the company.

Repair Document:

1. Certificate of employee wages CV. Asa Ivory Prime
2. Evaluation of compliance with legal requirements on third parties

Auditor Verification 19 July 2023

The company shows evidence of improvement, as follows:

- Certificate of wages for CV AGP workers dated July 1, 2023, which explains that KeneK's daily wage is IDR 130,000, - with an additional meal allowance of IDR 60,000, - so that the total is IDR. 190,000, - already above the *UMK*.
- Evaluation of the legal requirements of third parties in 2023 which have discussed fulfilling wages according to PP 36 of 2021.

Note CV AGP: none
Corrective Action (filled by organization audited):

- 1) Appoint a PIC who monitors compliance with legal requirements of third parties in each unit (Estate and Mill) – evidence attached.
- 2) Establish a schedule for monitoring compliance with Third Party legal requirements in each unit (Estate and Mill) – evidence attached.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification 07 June 2023:

Based on the evidence shown, there are still notes in the root cause analysis, please complete the root cause analysis. For correction and corrective action, please show proof of improvement. Based on this, the discrepancy is declared not fulfilled.

Auditor Verification 25 June 2023

The company shows proof of repairs that have been received, as follows:

- Schedule for monitoring third party requirements for 2023 – 2024 which is planned for the period June to September 2023.
- Letter of Manager of SPF dated 02 June 2023 concerning Appointment of PIC for Monitoring Compliance with Legal Requirements of SPF third party namely Tomson Manurung.
- BPE Manager Letter dated 29 May 2023 concerning Appointment of PIC for Monitoring Compliance with Legal Requirements BPE's third party, namely Henry Petrus Nainggolan.
- SPE Manager Letter dated 26 May 2023 concerning Appointment of PIC for Monitoring Compliance with Legal Requirements of SPE's third party namely Muhammad Nuh.

Based on the evidence shown, for corrective action that has been received, there is still a note in the root cause analysis, please complete the root cause analysis. There are also notes on proof of correction. Please show back proof of repair. Based on this, the discrepancy is declared not fulfilled.

Auditor Verification July 19, 2023:

Based on the evidence shown, corrective action and root cause analysis have been received, there is still a note in the correction evidence. Please show back proof of repair. Based on this, the discrepancy is declared not fulfilled.

Auditor Verification July 31, 2023:

Based on the evidence shown, corrective action and root cause analysis have been received, there is still a note in the correction evidence. Please show back proof of repair. Based on this, the discrepancy is declared not fulfilled.

Auditor Verification 07 August 2023:

Based on the evidence shown, for corrective action and root cause analysis has been received, as well as proof of correction has been received. Based on this, the discrepancy is declared to have been fulfilled and will be observed again at the next audit.

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

Verified by	:	Sentot Adi Subandono
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NCR No.	: 2023.2	Issued by	: Sentot Adi Subandono									
Date Issued	: May 27, 2023	Time Limit	: ASA-2.2									
NC Grade	: Minor	Date of Closing	: June 27, 2023									
Standard Ref. & Requirement	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.											
Evidence observed (filled by auditor): The results of the review of the metrics template for the 2022 period, it is known that <ul style="list-style-type: none"> The input result of the number of lost time injuries SPF does not match the data source, as follows: <table border="1"> <thead> <tr> <th></th><th>Metric template</th><th>Source</th></tr> </thead> <tbody> <tr> <td>Number of LTI</td><td>1</td><td>0</td></tr> <tr> <td>Total HW</td><td>63,378</td><td>187,387</td></tr> </tbody> </table> The data source for the number of lost time injuries SPE and BPE cannot be verified. Not all data sources regarding training can be verified. 					Metric template	Source	Number of LTI	1	0	Total HW	63,378	187,387
	Metric template	Source										
Number of LTI	1	0										
Total HW	63,378	187,387										
Non-Conformance Description (filled by auditor): Based on this, it is known that the company has not been able to show sufficient evidence that the preparation of the matrix template is based on accurate data sources.												
Root Cause Analysis (filled by organization audited): The company has not been able to provide sufficient evidence that the preparation of the matrix template is based on accurate data sources. This is due to the fact that the data as a data source for the preparation of the matrix template has not been well coordinated by each unit, such as: <ol style="list-style-type: none"> Training data that has been carried out for the 2022 period Training data for the period January – March 2023 Number of male and female employees for the end of December 2022 Number of complaints for the period of 2022 Number of complaints for the period January – March 2023 Number of complaints that were closed (completely responded to) in the 2022 period and those that have not been closed (continued in the 2023 period) Number of complaints that were closed (completely responded to) for the period January – March 2023 and those that have not been closed. 												
Correction (filled by organization audited): Improved the preparation of the matrix template by attaching data and supporting evidence as below: <ol style="list-style-type: none"> Training data that has been carried out for the 2022 period Number of male and female employees for the end of December 2022 Number of complaints for the period of 2022 Number of complaints that were closed (completely responded to) in the 2022 period and those that have not been closed (continued in the 2023 period). 												
Corrective Action (filled by organization audited): Appointed a special officer to coordinate the fulfillment of the preparation of the matrix template (Decree of appointment attached).												
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification 07 June 2023: Please show proof of improvement along with the corrected metric template. Based on this, the discrepancy is declared not fulfilled.												

Auditor Verification 26 June 2023:
Corrections:

Improvements to the metric template have been shown which have been completed with supporting documents that have been received, namely as follows:

1. LTI SPF, SPE, and BPE data.
2. Training data that has been carried out for the 2022 period.
3. Number of male and female employees for the end of December 2022.
4. Number of complaints for the 2022 period and the number of complaints that were closed (completely responded to) for the 2022 period and those that have not been closed (continued in the 2023 period).

Corrective Action

The company showed proof of improvement in the form of the Sungai Pinang SOU (Strategy Operational Unit) Coordinator Letter dated June 2, 2023 regarding the Appointment of the PIC for the preparation of the RSPO Metric Template, namely Panahatan Sitorus.

Verification results for aspects of OHS, Manpower, SCCS are in accordance with the metric template with supporting documents. Based on the results of the verification of the root cause analysis, correction, and corrective action along with the repair document, the non-conformity is declared to have been fulfilled.

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

Verified by	:	Sentot Adi Subandono
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NCR No.	:	2023.3	Issued by	:	Erika Lucitawati
Date Issued	:	26 May 2023	Time Limit	:	25 August 2023
NC Grade	:	Minor raised to major	Date of Closing	:	25 August 2023
Standard Ref. & Requirement	:	3.3.3 Records of monitoring and any actions taken are maintained and available.			

Evidence observed (filled by auditor):
Based on the results of the field visit on ASA-2.1, it is known as follows:

- The location for domestic waste collection and where there is a burnt container for domestic waste in the vacant land of the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Location of domestic waste collection on vacant land of Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Domestic waste disposed of in HCV area of Pinang River Block H10 Sungai Pinang Estate.
- Domestic waste scattered behind the Pondok Antigolon Division 3 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of behind the Pondok Turnera Division 2 Housing Complex Bukit Pinang Estate.
- Domestic waste disposed of outside the 90andfill pit with a distance of ±50 m in Block K18 Division 3 Bukit Pinang Estate.

As a preventive action for previous discrepancies, the company has prepared the following documents:

- Checklist for Worker's Housing Sungai Pinang Estate Division 3 regarding the results of monitoring housing conditions conducted by Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there has been no burning of waste since December 2022-April 2023.
- Dissemination of waste management to employees which was attended by 96 participants on 21 June 2022 at Sungai Pinang Estate.
- Checklist for Worker's Housing Bukit Pinang Estate Division 3 regarding the results of monitoring housing conditions carried out by the Assistant Division 3 every 2 times a month. Monitoring results show that housing conditions, trash cans are in good condition and there is no burning of waste in the January-April 2023 period.
- Dissemination of waste management to employees which was attended by all employees on 8-19 August 2022 Bukit Pinang Estate.

The company already has a Waste Management SOP procedure no. 33/PS/VII/2014 Revision 1 dated 1 September 2014 which was approved by the Estate Manager and Factory Manager. The procedure states the following:

- Point V.1 states that, "Household waste is collected in trash bins that have been provided in residential areas or work locations."
- Point V.8 states that, "Garbage is only disposed of in the places provided. It is not permissible to throw garbage anywhere."
- Point V.9 states that, "It is not justified to burn household waste that has been collected."

During the ASA-2.1 assessment, the company again showed evidence of improvement in the form of a checklist for monitoring housing conditions which is carried out every month and socialization on domestic waste management. However, the monitoring results are not in accordance with the conditions in the field so that domestic waste is still found in housing. Thus, the corrective actions shown to the previous auditor and the results of the current auditor's verification have not been realized optimally and comprehensively.

Non-Conformance Description (filled by auditor):
Thus, the company has not shown evidence that monitoring and follow-up records for domestic waste management have been carried out consistently and effectively.

Root Cause Analysis (filled by organization audited):

- Transportation vehicles are limited so that the collection of waste is not optimal and causes waste management

to not be carried out consistently and effectively.

- After being re-evaluated, the root of the problem is the unavailability of a waste collection/collection place in each housing before it is collected at landfill.

Correction (filled by organization audited):

Carry out repairs to cleaning waste according to existing procedures and cleaning up burning waste, including:

- Clean up the location for collecting domestic waste and used for burning domestic waste on vacant land in the Pondok Serumpun Division 1 Housing Complex Sungai Pinang Estate.
- Clean up the location for collecting domestic waste in the vacant land of the Pondok Serasan Division 3 Housing Complex Sungai Pinang Estate.
- Clean up domestic waste disposed of in the HCV area Pinang River Block H10 Sungai Pinang Estate.
- Clean up domestic waste that is scattered behind the Pondok Antigolon Division 3 Housing Complex Bukit Pinang Estate.
- Clean up domestic waste that is dumped behind the house of Pondok Turnera Division 2 Housing Division Bukit Pinang Estate.
- Clean up domestic waste that is dumped outside the landfill pit with a distance of ± 50 m in Block K18 Division 3 Bukit Pinang Estate.

Corrective Action (filled by organization audited):

- Carry out mutual cooperation every Friday at each employee's cottage (Area Controller Memo and activities carried out are attached)
- Providing temporary waste collection facilities in each hut which is used to collect waste from each employee's house prior to transportation to TPSA (documentation attached)
- The results of the review of the implementation are contained in "monitoring of domestic waste management".
- Monitoring is carried out by a pre-appointed PIC (attached: Document 2)
- The implementation review mechanism is contained in the Waste Management SOP as follows:
 - Page 2 revision: Revision Notes on July 20, 2023
 - Page 5 revision: Addition of Clause VI of the Implementation Review

Assessor Evaluation and Conclusion (filled by auditor):

08 June 2023:

The company has demonstrated root cause analysis, corrections and corrective actions, but there are still auditor notes that need to be answered by the company. Thus, the discrepancy on this indicator has not been fulfilled.

July 14, 2023:

The company has shown the following improvement documents:

- Memorandum No. 005/AC JAMBI/VI/2023 dated 02 June 2023 issued by AC Jambi to Estate Managers SPE and BPE and Mill Manager which stated that staff and employees in operational units ensure compliance to complete information boards on waste management without burning, issued SK PIC for managing domestic waste, equipping proper trash cans in residential areas, transporting all domestic waste to TPS according to a schedule that has been made consistently, completing all activities carried out and reporting updates to the Administrative Section of the Jambi Office Area Controller.
- Photo documentation of PT BSC's improved waste management which contains cleaning up of domestic waste to TPSA from the location of Pondok Serumpun Division 1 Housing and Pondok Serasan Division 3 Housing in SPE, as well as Pondok Antigolon Division 3 Housing, Pondok Turnera Division 2 Housing, and Pondok Casia Division 3 Housing at BPE.
- List of domestic waste transportation facilities at BPE as many as 1 prime mover unit and 3 bin units (locations in Divisions 1, 2 and 3).
- Results of monitoring of waste transportation in BPE Divisions 1, 2 and 3 in June 2023 which is carried out twice a week (Wednesdays and Saturdays) which contains estimates of the tonnage of waste and the person in charge of waste transportation (Foreman 1).
- Documentation of Clean Friday activities in the Pondok SPE environment on June 9, 2023 at Pondok CHC,

Pondok Serumpun and Pondok Serasan.

- Program and Realization of SPE Garbage Transportation in June 2023 at Pondok CHC, Serumpun and Serasan SPE every 2 times a week.
- Results of monitoring of waste transportation at CHC, Pondok Serumpun and Pondok Serasan SPE in June 2023 which is carried out twice a week (Wednesdays and Saturdays) which contains estimates of the tonnage of waste and the person in charge of waste transportation (Foreman 1).
- List of domestic waste transportation facilities at BPE as many as 1 prime mover unit and 3 bin units (locations in Divisions 1, 2 and 3).
- Documentation of photos of clean Friday activities at BPE on June 9, 2023.
- Gotong royong clean Friday with employees at the CHC SPF housing on 09 June 2023 which was attended by 18 participants.

The company has also demonstrated root cause analysis, corrections and corrective actions. However, there are still auditor notes in the corrective action column that need to be explained and shown supporting evidence. Based on the explanation above, this discrepancy is declared not fulfilled.

July 24, 2023

The company has shown the following repair documents:

- Domestic Waste Management Monitoring Document CHC, Pondok Serasan, Tractor, and Pondok Serumpun Sungai Pinang Estate dated 21 July 2023; Pondok Casia, Pondok Tunera, and Pondok Antogonon Bukit Pinang Estate on 21 July 2023; as well as the Sungai Pinang Factory Traction Housing on July 23 2023. All monitoring results show that there are signboards for the schedule for waste transportation, signboards prohibiting burning of waste and littering, trash cans/bins, household trash bins, landfill, and no burning of waste was found. And indiscriminate waste disposal.
- Decree of PIC for Pondok CHC Domestic Waste Management No. 001/SK-Tgs/BSC-Waste Management/VII/2023 dated 21 July 2023 with the officer in charge being Foreman 1 Division II at Pondok CHC.
- Decree of PIC for Waste Management Inspection Officer at Employee Housing Housing No. 002/BSC-SPF/VI/2023 dated 05 June 2023 with the officer in charge a.n. Muhammad Fandy Irawan at the Sungai Pinang Factory Employee Housing.
- Decree of PIC for Waste Management in Division No. 003/BPE-Int/I/2023 dated 02 January 2023 with the officer in charge a.n. Adi Gorat Pasaribu in Housing Division I Bukit Pinang Estate.
- Decree of PIC for Waste Management in Division No. 005/BPE-Int/I/2023 dated 02 January 2023 with the officer in charge a.n. Paidi in Housing Division II Bukit Pinang Estate.
- Decree of PIC for Waste Management in Division No. 003/BPE-Int/I/2023 dated 02 January 2023 with the officer in charge a.n. Suparman at Housing Division III Bukit Pinang Estate.
- Waste Management SOP No. 33/PS/VII/2014 Revision 01 dated 20 July 2023 which was approved by the Area Controller which contains Point VI that "a review of the implementation of waste management activities by an appointed PIC by making monitoring is carried out once a month as outlined in the domestic waste management checklist."

Based on the explanation above, the company has determined the root cause analysis, correction, and corrective action, as well as showing proof of improvement documents. However, the company has yet to show evidence of appointing an officer responsible for waste management at Sungai Pinang Estate. Thus, nonconformity declared not fulfilled.

August 25, 2023

The company has shown the following repair documents:

- Decree of PIC for domestic waste management at CHC cottage from the estate manager dated 21 July 2023 no SK 001/SK-Tgs/BS-Waste Management/VII/2023 appoints Mendi Andrian (foreman division II) with duties and responsibilities namely:
 - Monitoring of garbage disposal in every employee's housing in allied areas.
 - Monitoring the condition of BIN (garbage bins)
 - Running garbage collection according to schedule

- Coordinate to traction for transportation
- Ensuring that domestic waste is disposed of in the TPAS that has been determined by the unit.
- Decree of PIC for managing domestic waste at SPF from the mill manager dated 5 June 2023 no 002/BSC-SPF/VI/2023 appointing Mendi Andrian (foreman division II) with duties and responsibilities namely:
 - Monitoring the completeness of the signboard.
 - Monitoring the condition of BIN (garbage bins)
 - Monitoring the ban on burning garbage
 - Monitoring of waste transportation according to schedule and disposal to landfill.

Based on the explanation above, the company explains the root cause analysis, correction, and corrective action, as well as evidence of sufficient improvement so that this nonconformity is declared fulfilled and will be observed again for its implementation and consistency in the next assessment.

Verified by : **Erika Lucitawati**

NCR No.	2023.4	Issued by	Erika Lucitawati
Date Issued	27 May 2023	Time Limit	ASA-2.2
NC Grade	Minor	Date of Closing	14 July 2023
Standard Ref. & Requirement	3.4.2 For the unit of certification, a SEIA is available and social and environmental management plan and its monitoring have been developed with the participation of affected stakeholders.		

Evidence observed (filled by auditor):

One form of corporate social management that is carried out is the development/composition involving affected parties in the assessment of social impact studies on operational activities. In the January 2010 PT BSC Palm Oil Plantation Management Social Impact Study Report, the villages affected were Muara Rengas Village, Anyar Village, Sungai Pinang Village, Semangus Lama Village and Semangus Baru Village. As a follow-up to the assessment, there are several recommendations/matrices for social impact management and monitoring plans, such as:

- Building a role to increase community knowledge and skills.
- Unresolved land conflicts.
- Plasma program.

As one of the efforts to improve and pay attention to the latest situation from the previous year, the company carried out an SIA review which was carried out on January 20, 2023 for the implementation of management and monitoring in 2022. This was carried out due to the dynamic nature of the social situation. The results of the 2022 SIA review of the impacts that are managed and monitored are as follows:

- Provision of employment opportunities to the community
- Development of plasma plantations
- Road repair.

In 2022, the company has implemented social impact management in the form of a 2022 Sustainable Livelihood Asset (SLIA) Measurement Report for the Minamas Plantation Group Fostered Villages. Based on this document, the company has identified potential resources and sustainable livelihood issues in the villages surrounding the company, including villages around PT Bina Sains Cemerlang, namely Sungai Pinang Village and Anyar Village. This activity has also involved villages surrounding the company, including representatives from Sungai Pinang Village and Anyar Village, which was carried out from 30 September to 30 December 2022.

The company also shows the SIA management and monitoring plan matrix for 2022-2023, namely for significant impacts:

- Potential land conflicts
- Facilities and infrastructure
- Employment Opportunity
- Progress of plasma development.

The results of verification through online media showed that there were social issues related to community conflicts/land claims from Suka Maju Village and plasma claims from Sungai Pinang Village. Then the results of interviews with the village head of Suka Maju (SP5) obtained information that the village had never been involved in preparing the SIA program for the 2022-2023 period, so there was not enough evidence that the SIA management and monitoring plan for 2022-2023 had involved all affected stakeholders.

Non-Conformance Description (filled by auditor):

The company has not shown evidence that its management and monitoring plans have been developed with the participation of affected stakeholders.

Root Cause Analysis (filled by organization audited):

- The company has not shown evidence that its management and monitoring plans have been developed with the participation of affected stakeholders, this is caused by the lack of harmony between the company's relationships with Suka Maju Village.

After conducting an evaluation, the root of the problem was that Suka Maju village was not identified as an affected village according to the 2010 SIA document.

Correction (filled by organization audited):

- Revise the existing management and monitoring plan by involving the participation of village representatives who have not been included in the preparation of the management and monitoring plan for the affected environment.
- Attaching a summary of the realization of the interview-questionnaire on the activities of preparing the SIA program
- Attach an interview questionnaire with the Suka Maju community.

Corrective Action (filled by organization audited):

- Create an environmental management and monitoring program plan for the 2024 period (evidence attached).
- Affected parties involved in environmental preparation and monitoring, namely representatives of Suka Maju Village.

Assessor Evaluation and Conclusion (filled by auditor):
June 08, 2023:

The company has demonstrated root cause analysis, corrections and corrective actions, but there are still auditor notes that need to be answered by the company. Thus, the discrepancy on this indicator has not been fulfilled.

June 15, 2023:

The company shows the following documents:

- Documents on the Results of the Discussion Meeting Regarding the Activities to Prepare the Revision of the Social Impact Assessment (SIA) Program for the 2022-2024 Period which was held on 29 May 2023 and was attended by 11 representatives of company management including PSD, CSR, as well as Estate Managers and Assistants. The results of the meeting indicated that interviews would be held from 03-10 June 2023 to the Head of Suka Maju Village and 10-20 residents of hamlets 1-4 of Suka Maju Village by the PSD and CSR divisions.
- Recap of the Realization of the Interviews/Questionnaires for PT BSC's SIA Program Preparation Activity which was made on 10 June 2023 by the PSD section which contained 12 residents of Suka Maju Village who had been interviewed.
- Documents on the Results of the Social Impact Assessment Questionnaire at PT BSC on 12 residents of Suka Maju Village on 05-07 June 2023. The results of the questionnaire indicate that there are issues related to land compensation, job opportunities for local communities that are less open, interactions between the company and the community the less good, plasma for Suka Maju Village.
- Revision of the PT BSC Social Impact Management Plan for 2022-2023 dated 10 June 2023 made by the SIA Coordinator which contains social management and monitoring activities including land dispute resolution activities with related parties; provide employment opportunities to the surrounding community to become

employees of the company; provide assistance such as in the social, economic, health fields; as well as holding regular meetings with village officials/village community leaders regarding the plasma program.

- SIA Program Development Activity Plan for 2023-2025 which contains activities to review and evaluate the realization of the SIA program for 2022-2023, meetings to determine the list of interviewees and form the implementation team, preparation (form and documentation), interviews with affected parties (Desa Sunagi Pinang, Anyar Village, Muara Rengas Village, Semangus Baru Village, Sindang Laya Village, Suka Maju Village, local suppliers, wholesale workers, company employees), as well as the 2024-2025 SIA program preparation meeting which will be held from December 2023.

Based on the explanation above, the company has established a root cause analysis, correction and corrective action along with evidence of supporting documents. However, there are still auditor notes in the root cause analysis column and corrective actions that need to be answered by the company. Thus, this nonconformity is declared not fulfilled.

July 14, 2023:

The company has determined root cause analysis, corrections and corrective actions along with evidence of supporting documents in the form of:

- Recap of the Realization of the Interviews/Questionnaires for PT BSC's SIA Program Preparation Activity which was made on 10 June 2023 by the PSD section which contained 12 residents of Suka Maju Village who had been interviewed.
- Documents on the Results of the Social Impact Assessment Questionnaire at PT BSC on 12 residents of Suka Maju Village on 05-07 June 2023. The results of the questionnaire indicate that there are issues related to land compensation, job opportunities for local communities that are less open, interactions between the company and the community the less good, plasma for Suka Maju Village.

Based on the explanation above, this nonconformity is declared to have been fulfilled.

Follow up on next audit (filled by auditor):

Verified by : Erika Lucitawati

NCR No.	:	2023.5	Issued by	:	Erika Lucitawati
Date Issued	:	27 May 2023	Time Limit	:	25 August 2023
NC Grade	:	Major	Date of Closing	:	26 July 2023
Standard Ref. & Requirement	:	7.12.4 Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).			
Evidence observed (filled by auditor): The company has the following documents:					
<ul style="list-style-type: none">January 2010 HCV Identification Report document describes management efforts for protected river riparian areas by making riparian boundary markings of 50 meters from the right and left of the river.SOP for Management of River/Waduk Boundaries (DAS) & Conservation Areas No. 37/PSS-HCV/IX/2014 dated 01 December 2014, section 5.2 care and management of conservation areas and HCV explains:					

- Point P. In accordance with the HCV limits that have been determined, all forms of activity including the removal of new planting of oil palm may not be carried out along the border and the area is purely for clearing even though it has already been planted, except for taking the yield from oil palm plantations that have already been planted. Before it is allowed as long as it grows naturally without any mechanical or chemical treatment.
- Point T. Do not dispose of waste including B3 waste, toxic materials, used materials both in border areas and in water bodies.
- Point W. If employees or members of the public are found who intentionally damage, take advantage of for many benefits, or deliberately carry out activities that have a damaging impact on the area, they can be processed according to the rules and regulations that have been stipulated.
- HCV Management Plan for the 2022-2023 period which will be updated in 2022. The management plan for HCV 4 that will be carried out are:
 - Maintenance of HCV Buffer Zones.
 - Do not open planting in protected areas according to PP.
 - Do not build roads, canals and other infrastructure for HCV.
- Report on the results of HCV management and monitoring carried out by the company obtained information, in the period January – December 2022 monitoring has been carried out in the Sungai Pinang HCV area and it is known that there is no disturbance in the area.

However, based on the results of field visits in the HCV 4 riparian area which was the scope of the audit, information was obtained that:

- In block D016 Bukit Pinang Estate, replanting activities have been carried out in 2021 leaving 1 palm oil tree ($\pm 10m$) the remaining replanting for planting in 2021.
- There was land clearing for agriculture (horticulture cultivation) in the E12 Bukit Pinang Estate block by (employees of the PT MKJP contractor).
- The results of a field visit to block H10 Sungai Pinang Estate on the Sungai Pinang riparian found empty bunks and domestic waste disposed of in the riparian.

Non-Conformance Description (filled by auditor):

The company has not been able to prove that the HCVs that have been identified, protected, and/or enhanced and the implementation of the HCV management plans are in accordance with the 2022-2023 HCV management plans.

Root Cause Analysis (filled by organization audited):

- The management of PT BSC was negligent in managing HCV so that several HCV areas were not managed properly, such as:
 - In block D016 Bukit Pinang Estate, replanting activities have been carried out in 2021 leaving 1 row of oil palms ($\pm 10m$) the rest will be replanted for planting in 2021.
 - There are land clearing activities for agriculture (horticultural cultivation) in block E12 Bukit Pinang Estate by contractor employees.
 - The results of a field visit to block H10 Sungai Pinang Estate on the Sungai Pinang riparian revealed that there were empty bunks and domestic waste disposed of in the riparian.
- HCV PIC did not fully understand and know the management of the HCV Buffer Zone area including the boundaries of the Buffer Zone area which resulted in a damaged Buffer Zone area.

Correction (filled by organization audited):

The corrective actions taken are:

- Rehabilitate/enrichment plants with plant species for animal feed and plants for animal shelter, such as Angsana, Trambusi, Bambang lanang and Durian at a distance of 50 meters from the edge of the river in block D016 Bukit Pinang Estate (Evidence of activity documentation is attached).
- Rehabilitate/enrichment plants with animal feed plants and animal shelter plants, such as Angsana, Trambusi, Bambang lanang and Bamboo in areas cleared for agriculture (horticulture cultivation) in block E12 Bukit Pinang Estate by contractor employees. Proof of activity attached).
- Clean up the area in block H10 Sungai Pinang Estate on the Sungai Pinang riparian from empty Janjang and domestic waste.
- PT BSC HCV Area Rehabilitation Plan for Negative Impacts of Replanting Activities in Field D.016 and Field E.012

in June-July 2023 which contains rehabilitation activities for delineation of boundaries, including a program to transfer replanting oil palm planted in HCV areas to Field F.021 with completion target on 29 July 2023. F012 is the planted area of the 2018 planting year.

- Refresh training regarding understanding of HCV areas, determining HCV area boundaries/locations that become Buffer Zone areas at PT.BSC for officers and Division Staff.
- Understanding of checking the buffer zone area in the field to officers by Assistants.

Corrective Action (filled by organization audited):

Manage HCV by:

- Inventory and identify damaged HCV areas
- Develop an HCV area management plan
- Rehabilitation/Repair of damaged HCV areas
- Attach Revision of SOP page 2 – Revision Notes and page 9 Appendix HCV Buffer Zone Checklist (Document 10) which will be implemented from July 2023
- Attach SK of SPE HCV officer
- Attach a monthly HCV Bufferzone Checklist

Assessor Evaluation and Conclusion (filled by auditor):

Juni 08, 2023:

The company has demonstrated root cause analysis, corrections and corrective actions, but there are still auditor notes that need to be answered by the company. Thus, the nonconformity on this indicator has not been fulfilled.

July 14, 2023:

The company has shown the following improvement documents:

- PT BSC HCV Area Rehabilitation Plan for Negative Impacts of Replanting Activities in Field D.016 and Field E.012 for June-July 2023 which contains the determination of the completion target time, implementation timeline, PIC of the following activities:
 - Boundary rehabilitation including marking 5 rows of replanting oil palms from riverbanks, census of the number of replanting oil palms planted in HCV areas, marking oil palm boundaries with forest tree planting plans, clearing of horticultural crops planted in HCV areas, and clearing HCV areas from the waste which will be completely completed by the 4th week of July 2023.
 - Vegetation rehabilitation including identification of the number and types of forest tree seedlings, provision of forest tree seedlings (collaboration with the Forestry Service), and forest tree planting which will be carried out in the 4th week of June 2023, and the 1st and 2nd week of July 2023.
 - Socialization & publication including installation of HCV signboards (Guidelines & Prohibitions) and socialization of HCV to related parties (employees, contractors, community) which will be held in the 3rd week of June 2023 and 1st week of July 2023.
 - Monitoring rehabilitation including forest tree plant census, forest tree care, and insertion of forest tree plants will be carried out on the 4th week of July 2023. Meanwhile, patrols and monitoring of HCV areas will be carried out every month on the 4th week for 6 months starting from July 2023.
- Realization of PT BSC HCV Area Rehabilitation Negative Impact of Replanting Activities in Field D.016 and Field E.012 in June-July 2023 including the following activities
 - Rehabilitation of demarcation of boundaries including marking activities of 5 rows of replanting oil palms from riverbanks and a census of the number of replanting oil palms planted in HCVs has been completed in the 2nd week of June 2023; as well as the marking of oil palm boundaries with forest tree planting plans, clearing of horticultural crops planted in HCV areas, and cleaning of HCV areas from trash has been completed in the 2nd week of July 2023.
 - Vegetation rehabilitation including identification of the number and types of forest tree seedlings, provision of forest tree seedlings (collaboration with the Forestry Service), and forest tree planting have been completed in the 2nd week of June 2023.
 - Socialization & publication including installation of HCV signboards (Guidelines & Prohibitions) and socialization of HCV to related parties (employees, contractors, community) was completed in the 2nd week of July 2022 and the 3rd week of June 2023.
 - Rehabilitation monitoring including forest tree plant census, forest tree care, and forest tree plant insertion, as

well as patrols and monitoring of HCV areas carried out every month in the 4th week for 6 months since July 2023 has not been implemented.

- Photo documentation of marking using stakes on 5 rows of oil palm planted in the HCV area on 08 June 2023. However, there is no information on the location of the marking.
- Photo documentation of the rehabilitation of the HCV Field D.016 BPE area where there was a transfer of oil palm plants from the HCV area on 12 July 2023.
- Marking of oil palm boundaries by planting forest trees on June 8, 2023. However, there is no information on the location of the markings and the number of trees planted.
- Documentation of the rehabilitation of the HCV Field E.012 BPE area where there was an activity to clear the HCV area of horticultural crops on 12 July 2023.
- Photo documentation of cleaning trash & empty shavings in the HCV area Block H010 SPE on 25 May 2023.
- Number of forest trees planted in the HCV area with 167 types of sangsana, 80 trees of trembesi, 28 trees of Bambang lanang, 6 bamboos and 3 durians planted in the HCV area Field E.012 and Field D.016 BPE.
- Proof of payment for forest wood seedlings for the buffer zone on 07 June 2023 with 80 main types of trembesi and 28 main types of Bambang lanang. Documentation of forest trees to be planted in the HCV area on 08 June 2023.
- Photo documentation of forest tree planting in the HCV Field D.016 & Field E.012 BPE area on 12 July 2023.
- HCV outreach to Bukit Pinang Estate Employees on 13 June 2023 which was attended by 75 participants (harvest and spray employees). However, there is no information on socializing HCV to contractors and the community as contained in the PT BSC HCV Area Rehabilitation Realization document.
- Installation of HCV signboards (directions and prohibitions) in Field D.016 and Field E.012 BPE on 12 July 2023.
- Census of the number of replanting oil palms planted in the HCV area BPE Field D.016 dated 10 June 2023 which informed that there were 116 trees planted in the HCV area.

The company has demonstrated root cause analysis, correction and corrective action. However, there are still auditor notes that need to be answered in the column root cause analysis, correction and corrective action. Thus, this nonconformity is declared not fulfilled.

July 24, 2023

The company has shown proof of repair documents as follows:

- Documentation of photo marking of 5 rows of oil palm plants planted in the HCV area in Field D016 dated 08 June 2023.
- Documentation of marking oil palm boundaries by planting forest trees on June 8 2023 in Field D016 as many as 97 stems of Angsana plants and in Field E012 as many as 70 trees of Angsana plants.
- Monitoring Document on Inspection of the Condition of PT BSC HCV Trees dated 22 July 2023 in BPE Field D016 and Field E012. Monitoring results showed that there were 62 Angsana trees in Field E012 and 86 Angsana trees in Field D016 in good condition.
- Decree of Appointment as HCV Officer, HGU Bench Monitoring and Safety Officer (K3) No. 002/BPE-Int/I/2023 dated 02 January 2023 with the officer in charge a.n. Supriyadi.
- Documentation of checking trees for rehabilitation of HCV areas in Field D016 and Field E012 dated 22 July 2023.

Based on the explanation above, the company has shown improvement documents. However, there are still auditor notes that need to be answered by the company in the root cause analysis column and correction column. Thus, this nonconformity is declared not fulfilled.

July 26, 2023

The company has shown proof of repair documents as follows:

Root cause analysis.

The HCV PIC did not fully understand and know the management of the HCV Buffer Zone area including the boundaries of the Buffer Zone area which resulted in a damaged Buffer Zone area.

Correction

- The program for transferring replanting oil palm planted in the HCV area to Field F.012 with a target completion

date of July 29, 2023, based on the HCV SPE overlay map of the planting year in area F012 is not an HCV area so it can be replanted.

- Training for HCV officers on 24 July 2023, the training was known by the SPE and BPE managers. Also attached is a list of attendees and photo evidence complete with coordinates of training locations in the HCV areas at SPE and BPE.
- SOP for management of watersheds, reservoirs and conservation areas (HCV).
- Letter of confirmation back to the HCV PIC from the SPE estate manager dated 1 July 2023.
- BPE's HCV monitoring checklist dated 25 July 2023 which was carried out at 13 HCV area locations which stated that they were in accordance with the Management plan and monitored that the condition of the HCV areas was maintained and there were no disturbances.
- SPE HCV monitoring checklist for July 2023 which was carried out at 18 HCV area locations which stated that they were in accordance with the Management plan and monitored that the condition of the HCV areas was maintained and there were no disturbances.

Based on the explanation above, the company explains the root cause analysis, correction, and corrective action, as well as evidence of sufficient improvement so that this nonconformity is declared fulfilled and will be observed again for its implementation and consistency in the next assessment.

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

Verified by	:	Erika Lucitawati
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NCR No.	:	2023.6	Issued by	:	Radytio Puspanjana
Date Issued	:	27 May 2023	Time Limit	:	25 August 2023
NC Grade	:	Major	Date of Closing	:	26 July 2023
Standard Ref. & Requirement	:	Certification System 5.5.2 Time-bound plan: A time-bound plan for certifying all its management units and/or entities, including the units where the organisation has management control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills. a. As a minimum, all estates and mills shall be certified within five (5) years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year time frame. Any deviations from these maximum periods requires approval by the RSPO Secretariat.			
Evidence observed (filled by auditor): <ul style="list-style-type: none"> Based on the results of field visits to block K15 and K13 KKPA BSC (non-certified) plantations, information was obtained that the area was fully managed by PT BSC with 163.75 Ha, then the results of interviews with KKPA BSC assistants for operational activities and reporting of production results were reported to PT BSC. The organizational structure of PT BSC explains that the management of the BSC KKPA through the line of command is carried out by the area controller of PT BSC. The daily monitoring production document for 2023 which explains that the BSC KKPA production report is counted as PT BSC's total production which is informed into the company's SAP system. As explained in the RSPO Announcements for Time Bound Plan Revision schedule 20 December 2021 that "Since the RSPO Certification System document was made effective from 1 July, 2018, existing RSPO members have 5 years from this date to comply with these requirements. This means any grower member with management unit(s) that have not yet been certified will need to ensure that the uncertified management unit(s) are certified by June 30, 2023". Based on the verification of the Sime Darby Plantation Berhad Time Bound Plan document for 2021, there is a TBP for uncertified units that exceeds June 2023 but there is no approval from the RSPO, 					
Non-Conformance Description (filled by auditor): Based on that's explanation the unit of certified was not able the evidence if the deviations of these maximum period has been approved by RSPO, as ruled in the clausal 5.4.4 the noncoformity was graded Major					
Root Cause Analysis (filled by organization audited): The HGU process is determined by the government bureaucracy, so the completion time cannot be ascertained. This factor also caused the company to be late in revising the Time Bound Plan and submitting it to the RSPO.					
Correction (filled by organization audited): Submission of the revised time bound plan by Sustainability HO to the Sime Darby Plantation Group for approval by the RSPO.					
Corrective Action (filled by organization audited): Periodically evaluate the progress of the time bound plan by the Sustainability HO annually.					
Assessor Evaluation and Conclusion (filled by auditor): Auditor verification 14 June 2023 The company shows proof of improvement in the form of a Time Bound Plan Revision Request – Sime Darby Plantations Berhad (RSPO Approved on 13.7.2023) (49244) document, the document has been approved by RSPO					

on 13 July 2023. It is explained in the document that the proposed time line for the certification plan for the SDP unit has been approved. KKPA BSC is no longer included in TBP SDP according to email Friday, June 30, 2023 12:39 PM to Certification Helpdesk which explains "ALL directly managed land have been included in the Time Bound Plan. For KKPA and Plasma estates, Sime Darby Plantation does not have full management control and hence they are not included in the Time Bound Plan".

Based on the explanation above, the company explains the root cause analysis, correction, and corrective action, as well as evidence of sufficient improvement so that this discrepancy is declared fulfilled and will be observed again for its implementation and consistency in the next assessment.

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

Verified by	:	Radytio Puspanjana
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3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	1.1.2	<p>Information is presented in the appropriate language and is accessible to relevant stakeholders</p> <p>The company has a bipartite LKS which has been registered with the Manpower and Transmigration Service on March 31 2023 with number 23/KPTS/IV/NAKERTRANS/2023. However, the company has not reported bipartite LKS activities to the relevant agencies. Companies are encouraged to report bipartite LKS activities.</p>
2	6.2.7	<p>Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>Based document review for the period April – May 2023, it is known that BPE has 26 harvesters with temporary status. Based on the results of interviews with management representatives, it is known that the twenty six players have received central management approval to become SKUs on May 13, 2022, and will be appointed in June 2023. A written commitment has also been shown from the company for appointment as PKWTT on June 1, 2023. Based on this Accordingly, companies are encouraged to ensure that all harvesters have PKWTT status in accordance with the plans that have been set.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Commitment to implement the principles of sustainable oil palm plantation management.
2	No longer using limited pesticides with the active ingredient Paraquat
3	POM has received Blue PROPER from the Ministry of Environment and Forestry for the 2021/2022 period

3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Gender Committee of PT Bina Sains Cemerlang</p> <p>The organizational structure of the gender committee of PT Bina Sains Cemerlang is made up of workers and staff with the overall composition of the management being women. The members of the gender committee are all employees of PT Bina Sains Cemerlang. In the past year there have been no complaints regarding violence, extortion, sexual harassment, or discrimination against women or men workers.</p> <p>Complaint flow → contact the management in the gender committee directly/through the complaint number → resolution. If a major problem is found, the gender committee will work closely with the assistant to the plantation manager.</p> <p>The mechanism for submitting menstruation leave and maternity leave is understood by workers. Menstrual leave is valid for 2 days, while maternity leave is one and a half months before giving birth to one and a half months after giving birth.</p> <p>There is a medical test conducted every 6 months to determine the health condition of workers and their pregnancy status. When a pregnant condition is found in a worker with a certain risk, the worker will change jobs such as being a maintenance worker at manual yards, dish maintenance, and cleaning landfills, or other types of work that are lighter and not related to chemicals.</p> <p>Breastfeeding mothers get special rest periods during breastfeeding. There is a posyandu with activities for giving vitamins, injections, and gender outreach. The last socialization activity was carried out on April 27, 2023</p>	<p>There were no negative issues from the gender committee.</p>
<p>SPSI Labour Union PT Bina Sains Cemerlang</p> <p>Trade unions have been formed and are still actively organized today. Bipartite meetings with companies and internal unions are held routinely, but if there are problems that can be discussed further. The company has also socialized the freedom of association policy to workers in the unit to continue to join the union without coercion and during the process of selecting/forming union officials. There is no intervention/interference by the company (the workers do it independently) to the unions. The company has implemented minimum wage standards, overtime and others in accordance with government regulations. Every active labor union in the plantation and factory units has been officially registered as a labor union of PT Bina Sains Cemerlang.</p>	<p>There are no negative issues from the Labour union.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
Musirawas District Plantation Service <ul style="list-style-type: none"> PT BSC has submitted an application for an assessment of the plantation business to the Plantation Office, but the assessment cannot be carried out because it has not received an order from the Regent. Reporting has been carried out regularly. The company already has plans for establishing plasma plantations, and currently the process is still ongoing. The company has used certified seeds. The company already has adequate firefighting infrastructure. The company's communication with the Office is quite good. 	<p>This has been verified in the report.</p>
Musirawas District Manpower Office <ul style="list-style-type: none"> PT BSC has routinely sent OHS Committee Reports, WLTK Reports, PKWT Reports, and LKS Bipartite Reports. There were no fatal work accidents. Machine inspection tests in the PT BSC area have been carried out regularly. Completeness of OHS license at PKS is sufficient. PT BSC has implemented District Minimum Wage. The relationship between PT BSC and employees is quite good. All processing and harvesting workers have permanent employee status. The company has implemented a pay scale structure and has implemented overtime. Health checks have been carried out for workers. All workers have been registered with the BPJS for employment and health. 	<p>This has been verified in the report.</p>
Labor union – SPSI (Serikat Pekerja Seluruh Indonesia) Unit Bukit Pinang Estate and Sungai Factory POM <ul style="list-style-type: none"> Workers are affiliated with the SPSI trade union, and in each work unit there is a trade union coordinator. Union membership is voluntary. In the last 1 year there were no employment issues. PT BSC has implemented District Minimum Wage and wage scale structure. There has been a Bipartite LKS as a vehicle for employee communication with PT BSC. Aspirations from workers are not only obtained from official meetings, but also in daily meetings. There were no incidents of sexual harassment against women and children in the last 1 year. 	<p>This has been verified in the report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
CV Asa Gading Perdana Interview with Deputy Director <ul style="list-style-type: none"> • Complete company legality. • Collaboration with PT BSC for the construction of workers' housing at SPE starting May 15, 2023. • There are contract workers, but not all workers have made work agreements with the company (CV Asa Gading Perdana). • There is an evaluation of the company on a regular basis. • The workers have been provided with PPE by the company, and BPJS has been paid for employment. • The company does not employ children and has received socialization regarding the environment, fire and the use of PPE. • Has understood the code of ethics and does not give and be asked for gratuities. 	<p>This has been verified in the report.</p>
PT Mitra Karya Jaya Perdana Interview with Site Manager <ul style="list-style-type: none"> • Cooperation agreement between company leadership. • Timed employee status. • Workers have an OHS license. • Already have a salary slip and BPJS insurance has been paid. Interview with Contractor Workers: 1 Mechanic, 1 Dozer Operator, 1 Excavator Operator <ul style="list-style-type: none"> • Not all are registered with BPJS. • Not all of them have OHS Heavy Equipment Operator licenses. • Employee salaries vary. 	<p>This has been verified in the report.</p>
CV Putra Sungai Gelam Interview with the Director <ul style="list-style-type: none"> • Currently working with PT BSC in the construction of the G6 house in the Sungai Pinang POM housing complex. • Workers have been registered with BPJS Construction to cover Employment BPJS, but have not been registered with BPJS Health. • Employee salaries range from Rp. 1,200,000. Up to Rp. 2,000,000. Per week. • Do not employ child labor/under 18 years of age. • PT BSC has socialized company policies, including those regarding OHS, business ethics, environment and fire. 	<p>This has been verified in the report.</p>
Online Issue https://lubuklinggau.pikiran-rakyat.com/sumsel/pr-2915636373/diduga-pt-bina-sains-cemerlang-kangkangi-intruksi-pemkab-musi-rawas	<p>There is an issue which states that PT BSC as of October 6 2022 has not fulfilled the target for a plasma land location permit that has been set by the Regional Government of Kab. Musi Rawas.</p>







Public Issues (Institution/ NGO/Community)	Auditor Verification
	<p>Of the approximately 2,247 ha of plasma land plans to be cleared through an agreement between PT BSC and the Musi Rawas District Government in 2014, in 2015 PT BSC had only opened 1,350 ha, and had only fulfilled location permits for 163 ha of plasma land in three locations, namely Semangus Village. , Muaro Rengas Village, and Anyar Village.</p> <p>The village head of Muara Rengas (Yudhi) confirmed that the Musi Rawas District Government had visited PT BSC's plasma land location to inspect the location permit that had been assigned by the Regional Government. During ASA 2.1 activities the company shows the progress of preparing plasma plantations:</p> <ul style="list-style-type: none"> • The meeting on 28 September 2022 involved Anyar Village, Muara Rengas, Semangus Baru and Sungai Pinang Village. • Document application for extension / renewal of location permit dated 12 October 2022 to the Licensing Service (PTSP) of Musi Rawas District. • Documentation of the pilot for the northern boundary of the plasma plantations has been carried out from 19 – 25 September 2022. • Decree of the Head of Sungai Pinang Village no 141/21/KPTS/TD-SP/2022 dated 6 September 2022, regarding the determination of the village team for the development of plasma plantations and the preparation of a time line for the development of plasma plantations. • There is a Minutes of deliberation meeting to follow up on the development of plasma plantations on September 5, 2022 in the Sungai Pinang village building.
<p>Environmental Agency of Musi Rawas District</p> <ul style="list-style-type: none"> • Company already has a valid environmental permit, liquid waste utilization permit, and hazardous waste storage permit. • Company has regularly submitted mandatory reports such as management and monitoring implementation reports, Hazardous waste management reports, and liquid waste management reports to Environmental Agency • Environment Agency routinely conducts supervision at company. The control results have no negative issues or reports related to the environment from community, and up to time of this audit, there were no negative complaints/issues from surrounding community. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Communication between the company and the Environment Agency of Musi Rawas District went smoothly. 	
Muara Rengas Village Interviewee: Head of Village <ul style="list-style-type: none"> Company has employed workers from surrounding villages. There are no issues regarding environmental pollution for the past 1 year. Company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area. Socialization on prohibition of burning has been carried out for land clearing activities. Company routinely provides assistance to villages in the form of CSR and direct assistance Communication between village and company is not a problem and company always respond to requests from the village. 	<p>There are no negative issues that need further verification.</p>
Sungai Pinang Village Interviewee: Members of <i>Badan Permusyawarahan Desa</i> <ul style="list-style-type: none"> Company has employed workers from surrounding villages. There are no issues regarding environmental pollution for the past 1 year. Company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area. Socialization on prohibition of burning has been carried out for land clearing activities. Company routinely provides assistance to villages in the form of CSR and direct assistance Communication between village and company is not a problem and company always respond to requests from the village. 	<p>There are no negative issues that need further verification.</p>
Semangus Baru Village & Anyar village Interviewee: Head of Village <ul style="list-style-type: none"> Company has employed workers from surrounding villages. There are no issues regarding environmental pollution for the past 1 year. Company has socialized about protected animals and conservation areas and put-up signs prohibiting hunting of certain animals around the plantation area. Socialization on prohibition of burning has been carried out for land clearing activities. 	<p>There are no negative issues that need further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Communication between village and company is not a problem and company always respond to requests from the village. 	
<p>Related to issue of online media in the previous assessment, namely at https://onlinekoe.com/dipicu-sengketa-lahan-ratusan-warga-desa-sungai-pinang-lakukan-aksi-panen-masal/, related to hundreds of residents of Sungai Village Pinang held mass harvesting action because the land area of 1,538 hectares which is now claimed by the PT BSC company belongs to the residents of Sungai Pinang Village so that residents are busy carrying out the action on August 16, 2021.</p>	<p>Regarding issue of online media, the area claimed by the community is within the PT BSC HGU which has been obtained by the company in accordance with legally correct procedures based on management verification, the company. The community's claim in the area (1,538 ha) was also sued by the parents of the residents in 1992 but could not be proven at the Lubuk Linggau District Court so their claim was rejected. This was actually known by the villagers, but was provoked by Mr. Hasrin Rahim's attorney to take action to the field.</p> <p>Therefore, regarding the provocation, the company has reported the attorney to the Sumatera Selatan Regional Police for causing social unrest in the community, which actually already knew that the area was legally owned by PT BSC. Until the surveillance 2.1 audit was carried out, the suspect in the provocation had been determined and there was an Arrest Warrant No. SP.KAP/150/VI/2022/Ditres krim dated 15 June 2022 from the Sumatera Selatan Regional Police Commissioner. Conditions when the audit took place, the atmosphere was conducive again and there was no more mass harvesting.</p>
<p>Related to the issue of online media in the previous assessment, namely on the page:</p> <ul style="list-style-type: none"> https://mubakab.go.id/berita/218-pemkab-muba-mediasi-sangketa-lahan-masyarakat-muba-dengan-pt-bsc, related to the Musi Banyuasin District Government facilitating the Suka Maju Village community, Plakat Tinggi District regarding efforts settlement of conflict issues/Plantation Land Claims of PT Bina Sains Cemerlang (BSC) in Sungai Pinang Village, Muara Lakitan District, Musi Rawas District by residents of Suka Maju Village, Plakat Tinggi District. In the mediation, representatives of the people of Suka Maju Village, Plakat Tinggi District, said that the company could complete the compensation process for 300 landowners. In addition, the community expects the Musi Banyuasin District Government together with the BPN to ensure that the land in question is located above the Musi Banyuasin District area or over the Musi Rawas District area. https://silamparipers.com/2021/07/24/masyarakat-suka-maju-menuntut-penyelesaian-lahan-di-pt-bsc/, related to hundreds of people from Sukamaju Village, Plakat Tinggi District, Musi Banyuasin District, Sumatera Selatan and residents Sungai Pinang Village, Muara Lakitan Subdistrict, Musi Rawas, on August 17, 2021, visited the oil palm plantation area of PT Bina Sains Cemerlang to ensure that 	<p>Regarding the 2 online media news links, the company said that they were related news. Based on the verification to the management of PT BSC, information was obtained that the HGU of PT BSC is entirely within the area of Sungai Pinang Village, Muara Lakitan Sub District, Musi Rawas District as stated in the HGU Decree and HGU Certificate issued by BPN and in accordance with Minister of Home Affairs Regulation No. 13 of 2014. The entire area in the PT BSC HGU has been compensated as written in the reference letter from the Sungai Pinang Village Head known to the Muara Lakitan Sub-district Head and the Musi Rawas District BPN.</p> <p>This was also evidenced by the dispatch of a team from the Musi Rawas District Government and followed up with a letter from the Musi Banyuasin District Government No. 130/336/I/2020 dated July 20, 2020 regarding the facilitation of settlement of plantation land problems which essentially:</p> <ul style="list-style-type: none"> Whereas the area claimed by the residents of Suka Maju Village is within the administrative area of

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>the disputed land between the community and PT BSC was not used by the company because until now there is still no legal certainty regarding the status of their land under cultivation. Alleged to have been controlled by PT BSC illegally.</p>	<p>Musi Rawas District according to the Regulation of the Minister of Home Affairs No. 13 year 2014</p> <ul style="list-style-type: none"> Whereas the claimed area has been compensated to the land owners and has become an oil palm plantation planted by PT BSC. Whereas the area that has been claimed already has legality, namely the HGU SK and the HGU Certificate issued by the BPN of Musi Rawas District. Furthermore, the Musi Banyuasin District Government will coordinate with the Musi Rawas District Government to facilitate the resolution and request that the company temporarily not exploit the area to avoid social conflicts. <p>In addition, there is the Decree of the Regent of Musi Rawas No. 145/KTPS/DISBUN/2022 dated February 7, 2022 regarding the formation of a plasma problem facilitation team at PT BSC consisting of district offices and the surrounding community. The facilitation was carried out by the relevant parties on February 22, 2022. However, until the surveillance 2.1 audit was carried out, there had been no minutes of the facilitation results from the district office as a facilitator, so the company was again waiting for a decision from the government in Musi Banyuasin District and Musi Rawas District.</p> <p>Regarding the news on August 17, 2021, the management of PT BSC said that this was due to a provocation by the attorney and the Suka Maju village head to take action to the claim location, even though the problem is being handled by the Musi Banyuasin District Government and the Musi District Government. The current condition and condition of the area is that PT BSC has not managed it while waiting for a decision from the two regional governments. Therefore, regarding the provocation, the company has reported the attorney to the Sumatera Selatan Police for causing social unrest in the community, which has actually received a temporary decision from the two regional governments. Until the surveillance 2.1 audit was carried out, the suspect in the provocation had been determined and there was an Arrest Warrant No. SP.KAP/150/VI/2022/Ditreskrim dated 15 June 2022 from the Sumatera Selatan Regional Police Commissioner.</p> <p>At the time of the surveillance 2.1 audit, the location of the claim had not been reworked for the time being because it was waiting for the results of the decision from the Musi Banyuasin District Government and the</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
	Musi Rawas District Government.
FFB Supplier (PT Daya Agro Lestari) <ul style="list-style-type: none"> Contractor activities in the field of FFB supplier. Relationship with company is going well. Contractor payments are made on time. Price of FFB is determined based on the price from the Plantation Agency and changes in the FFB price will be notified by PT Tapian Nadenggan via telephone or WhatsApp Company conducts socialization related to OHS policies, environment, and technical procedures to contractors and will then be forwarded to members. There are no complaints or suggestions for the company regarding operations. 	There are no negative issues that need further verification.
Land Agency of Musi Rawas Agency <ul style="list-style-type: none"> Company is currently applying for an extension of the location permit for plasma. No complaints from the surrounding community were submitted to the Land Agency of Musi Rawas District. The company has submitted regular reports regarding the use of HGU to the BPN of Musi Rawas District. Communication between the company and the Land Agency of Musi Rawas District is going well. 	There are no negative issues that need further verification.

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	<p>Formal Sign-off of Assessment Findings</p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <table border="0"><tr><td style="text-align: center;"><p>PT Bina Sains Cemerlang Head Sustainability</p><p><u>Alagendran Maniam</u> Friday, 25 August 2023</p></td><td style="text-align: center;"><p>Mutuagung Lestari Lead Auditor</p><p><u>Hasiholan Sihombing</u> Friday, 25 August 2023</p></td></tr></table>	<p>PT Bina Sains Cemerlang Head Sustainability</p>  <p><u>Alagendran Maniam</u> Friday, 25 August 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Friday, 25 August 2023</p>
<p>PT Bina Sains Cemerlang Head Sustainability</p>  <p><u>Alagendran Maniam</u> Friday, 25 August 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Hasiholan Sihombing</u> Friday, 25 August 2023</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Labor Union	PT BSC, Musi Rawas District	-	Direct Interview	23 May 2023	✓	
2	Gender Committee	PT BSC, Musi Rawas District	-	Direct Interview	23 May 2023	✓	
3	Musirawas District Plantation Service	Musirawas District	-	Interview by phone	23 May 2023	✓	
4	Musirawas District Manpower Office	Musirawas District	-	Interview by phone	23 May 2023	✓	
5	Labor union – SPSI (Serikat Pekerja Seluruh Indonesia) Unit Bukit Pinang Estate and Sungai Factory POM	Musirawas District	-	Direct interview	23 May 2023	✓	
6	PT Mitra Karya Jaya Perdana Interview with Site Manager	Musirawas District	-	Interview by phone	25 May 2023	✓	
7	PT Mitra Karya Jaya Perdana Interview with 1 Mechanic, 1 Dozer Operator, 1 Excavator Operator	Musirawas District	-	Direct interview	25 May 2023	✓	
8	CV Putra Sungai Gelam Interview with the Director	Musirawas District	-	Interview by phone	25 May 2023	✓	
9	Sungai Pinang POM. <ul style="list-style-type: none"> • 1 Thresher Operator • 1 Press Operator • 1 Kernel Operator • 1 Boiler Operator • 1 Welder Operator • 1 Engine room Operator • 1 Hoisting Crane Operator • 1 WTP operator • 1 WWTP 	Musirawas District	-	Direct interview	24 May 2023	✓	

	operator						
	<ul style="list-style-type: none"> housing residents 1 warehouse worker 						
10	Bukit Pinang Estate <ul style="list-style-type: none"> 2 Harvesters 1 manuring Foremen Manuring workers spraying foremen 2 spraying workers 1 generator operator 2 daycare workers in division 3 1 daycare workers in division 1 1 warehouse chairman 1 workshop worker and firefighter 	Musirawas District	-	Direct interview	25 May 2023	✓	
11	Sungai Pinang Estate <ul style="list-style-type: none"> daycare workers 1 warehouse chairman 2 nurses and 1 midwife at clinic 	PT BSC, Musi Rawas District	-	Direct Interview	24 May 2023	✓	
12	Environmental Agency	Musi Rawas District	-	Via Phone	23 May 2023	✓	
13	Semangus Baru Village & Anyar village	Musi Rawas District	-	Via Phone	23 May 2023	✓	
14	Sungai Pinang Village	Musi Rawas District	-	Via Phone	23 May 2023	✓	
15	Anyar Village	Musi Rawas District	-	Direct Interview	23 May 2023	✓	
16	World Wide Fund	Indonesia	wwf-indonesia@wwf.or.id	Email	17 May 2023		✓
17	Wahana Lingkungan Hidup Indonesia	Indonesia	informasi@wahi.or.id	Email	17 May 2023		✓

18	Sawit Watch	Indonesia	info@sawitwatch.or.id	Email	17 May 2023		✓
19	AMAN	Indonesia	rumahaman@aman.or.id	Email	17 May 2023		✓
20	PT Daya Agro Lestari (FFB supplier)	Musirawas District	-	Interview by phone	23 May 2023	✓	
21	Land Agency	Musi Rawas Agency	-	Interview by phone	23 May 2023	✓	

Appendix 2. Assessment Program

DATE	22 – 27 May 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 22 May 2023		
12.20 – 13.40	JAKARTA (CGK) → LUBUK LINGGAU (LLJ) : ID-6820	All Auditor
13.40 – 17.00	LUBUK LINGGAU → PT BINA SAINS CEMERLANG	All Auditor
Tuesday, 23 May 2023		
08.00 – 9.00	Opening meeting <ul style="list-style-type: none"> Speech (Introduction of PIC, Profile of Certified Management Unit) Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders. Stakeholder consultation to affected communities surrounding the plantations and previous land owner as well as Local NGO. public consultation with stakeholder to relevant agency in Kutai Kartanegara by phone. Document review, basic info verification and metric template verification. 	All Auditor & CH
09.00 – 12.00		All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 17.00	Field observation to Sungai Pinang POM: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Despatch CPO). (Processing Activity) Implementation of Employment Procedure, OHS and Mechanism Aspect. Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation. POME Pond and. Presentation of Daily Progress. 	TIO SAS & RISKA ELU All Auditor
Wednesday, 24 May 2023		
08.00 – 12.00	Field Observation to Sungai Pinang Estate Aspect to be verified: <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Implementation of Environmental, Conservation/HCV. Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management). Implementation of Employment Procedure and Mechanism Aspect. Observation of Workers Facilities (Housing, School, Worship Place). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application). Implementation of Occupational Health & Safety Aspect. 	TIO ELU SAS & RISKA

DATE	22 – 27 May 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	Break	All Auditor
14.00 – 16.30 16.30 – 17.00	Document review and completing audit checklist Presentation of Daily Progress	All Auditor
Thursday, 25 May 2023		
08.00 – 12.00	Field Observation to Bukit Pinang Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries); • Implementation of Environmental, Conservation/HCV. • Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities, Waste Management). • Implementation of Employment Procedure and Mechanism Aspect. • Observation of Workers Facilities (Housing, School, Worship Place). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application). • Implementation of Occupational Health & Safety Aspect. 	TIO ELU & RSKA SAS
12.00 – 14.00	Break	All Auditor
14.00 – 16.30 16.30 – 17.00	<ul style="list-style-type: none"> • Continued field observation and Public Consultation if needed. • Document review and completing audit checklist. • Presentation of Daily Progress 	All Auditor
Friday, 26 May 2023		
08.00 – 16.30 16.30 – 17.00	<ul style="list-style-type: none"> • Document review and Public Consultation if needed. • Presentation of Daily Progress 	All Auditor
Saturday, 27 May 2023		
08.00 – 10.00	Closing Meeting: <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timelie of CAR's, Conclusion) • Comments, Responses and Questions 	All Auditor & CH
10.00 – 14.20	PT BINA SAINS CEMERLANG → LUBUK LINGGAU	All Auditor
14.20 – 17.00	LUBUK LINGGAU → JAKARTA (CGK): ID-6821	All Auditor