

Roundtable on Sustainable Palm Oil Certification
R S P O

[✓] Surveillance

Name of Management Organisation : Gunung Makmur Palm Oil Mill – PT Karya Makmur Bahagia subsidiary of Bumitama Agri Limited

Plantation Name : PT Karya Makmur Bahagia; Gunung Makmur Estate, Bukit Daman Estate and Sungai Mentaya Estate

Location : Rantau Tampang Village, Telaga Antang Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia.

Certificate Code : MUTU-RSPO/045

Date of Certificate Issue : 15 October 2019 Date of License Issue : 21 October 2023

Date of Certificate Expiry : 20 July 2024 Date of License Expiry : 20 July 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.4	20-23 Juni 2023	Rahmat Abdiansyah, Firda Tarunajaya, Sentot Adi Subandono, I Wayan Sudi Antara	Hasiholan Sihombing	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1.4	18 October 2023

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Figure 1. Location Map of PT Karya Makmur Bahagia

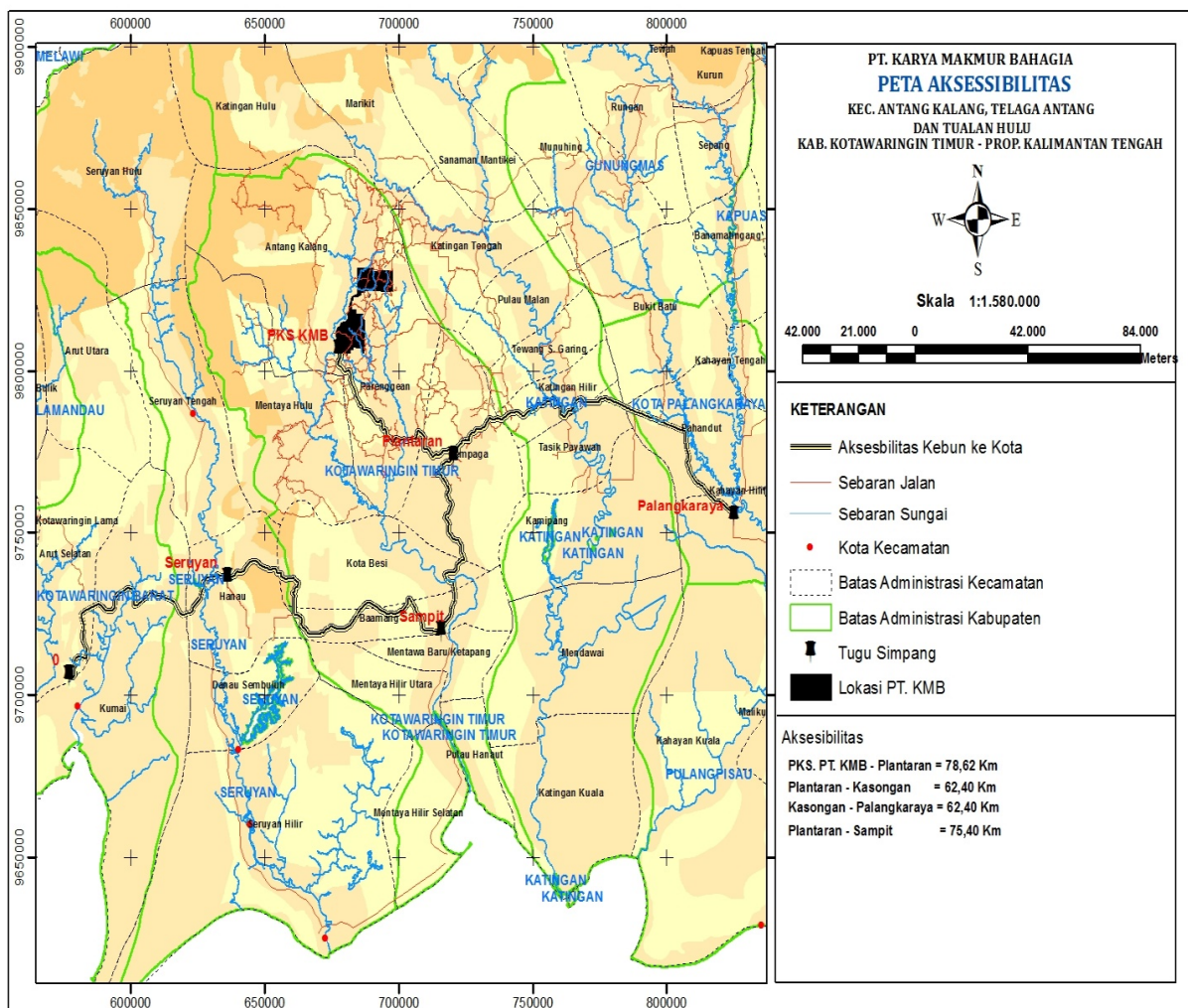
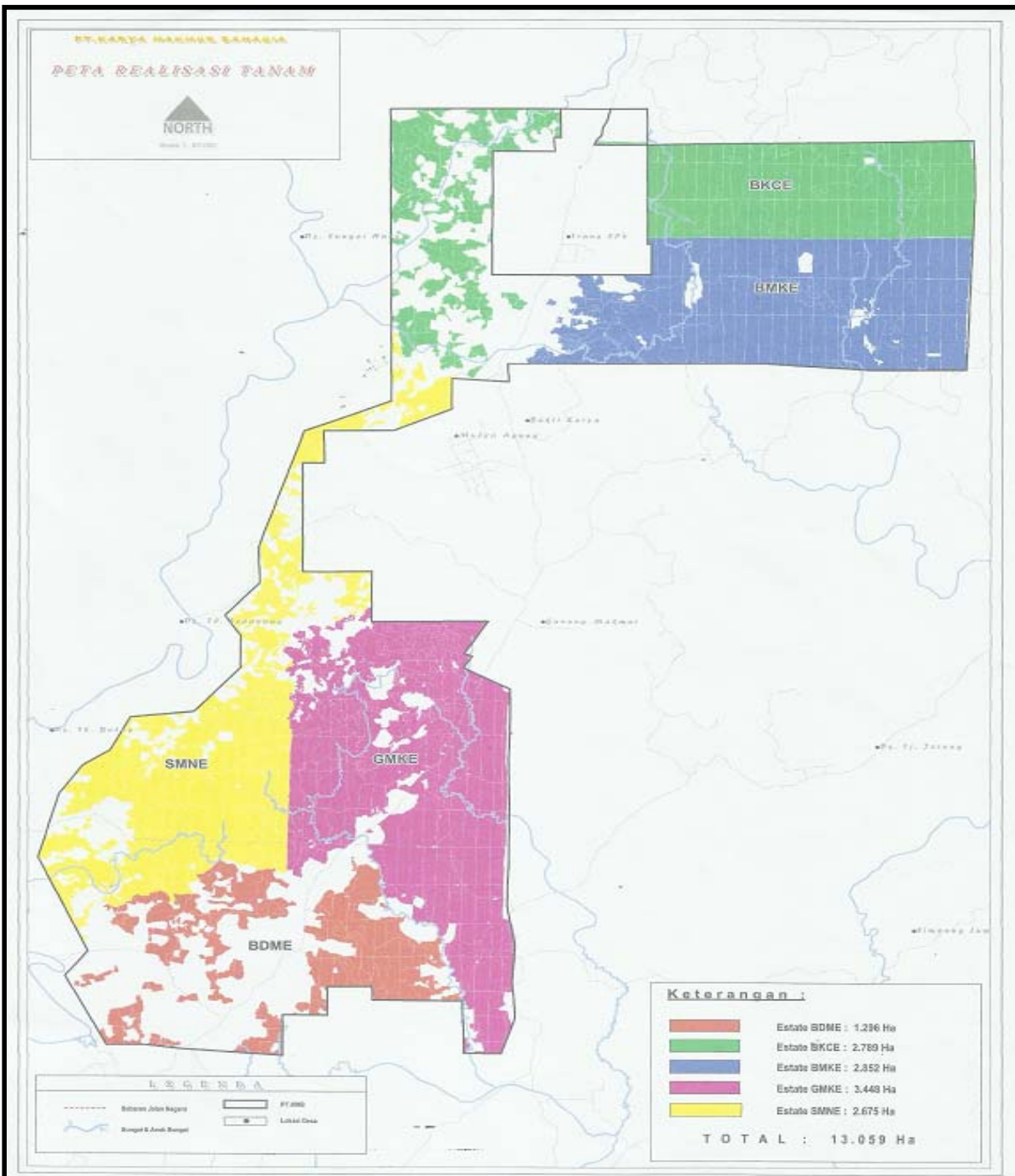


Figure 2. Operational Map of PT Karya Makmur Bahagia



Abbreviations Used

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i>
ANDAL	:	<i>Analisis Dampak Lingkungan</i>
AK3	:	<i>Ahli Keselamatan dan Kesehatan Kerja (OHS Expert)</i>
BAGE	:	Beringin Agung Estate
BDME	:	Bukit Daman Estate
BGA	:	Bumitama Gunajaya Agro
BHJE	:	Batang Hijau Estate
BKCE	:	Bukit Kecubung Estate
BLH	:	<i>Badan lingkungan hidup (environment agency)</i>
BML	:	<i>Baku Mutu Lingkungan</i>
BMS	:	BGA Manuring System
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial (Social Security Agency)</i>
BPN	:	<i>Badan Pertanahan Nasional</i>
CD	:	Community Development
CMNT	:	Central Mentaya Traxion
CPO	:	Crude Palm Oil
CSR	:	Coorporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
GHG	:	Green House Gas
GMKE	:	Gunung Makmur Estate
GMKM	:	Gunung Makmur Mill
GRTT	:	<i>Ganti Rugi Tanam Tumbuh</i>
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i>
HGU	:	<i>Hak Guna Usaha (Land Use Title)</i>
HIRAC	:	Hazard Identification Risk Assessment and Control
HPT	:	<i>Hama Pengganggu Tanaman</i>
HSE	:	Healthy Safety Environment
IPM	:	Integreted Pest Management
JHT	:	Jaminan Hari Tua
JKK	:	Jaminan Kecelakaan Kerja
JKM	:	Jaminan Kematian
JP	:	Jaminan Pensiun
KER	:	Kernel Extraction Rendement
KMB	:	Karya Makmur Bahagia
LB3	:	<i>Limbah berbahaya dan beracun (hazardous waste)</i>
LCC	:	Legume cover crop
LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
LUC	:	Land Use Change
LUCA	:	Land Use Change Analysis
MAGE	:	Mulya Agung Estate
MSDS	:	Material Safety Data Sheet
MUSREMBANG	:	'Musyawarah Rencana Pengembangan' – Meeting of Development Plan
NGO	:	Non Government Organization
NPP	:	New Planting Procedure

OER	:	Oil Extraction Rendement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja (OHS Committee)</i>
PAD	:	Public Affair Departement
PIC	:	Person In Charge
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PP	:	<i>Peraturan Pemerintah (Goverment Rules)</i>
PPE	:	Personal Protective Equipment
SKP	:	<i>Surat Keterangan Penunjukkan</i>
TTL	:	Tanah Tani Lestari
R & D	:	Research and Development
RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan/ Rencana Pemantauan Lingkungan</i>
RSPO	:	Roundtable on Sustainable Palm Oim
SEIA	:	Social and Environment Impact Assessment
SIA	:	Social impact Assessment
SMNE	:	Sungai Mentaya Estate
SMRE	:	Sungai Meraya Estate
SOP	:	Standar Operational Procedure
SPM	:	<i>Serikat Pekerja Mandiri</i>
SPYE	:	Sungai Penyahuan Estate
SSU	:	Soil Sampling Unit
TPS LB3	:	<i>Tempat penyimpann semeentara LB3 (Hazardous Waste Storage)</i>
UKL/UPL	:	<i>Usaha Pengelolaan Lingkungan/ Usaha Pemantauan Lingkungan</i>
VOPS	:	Volunteer Oil Palm Seedlings
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Pond

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	Organization Information		
1.2.1	Organization name listed in the certificate	PT Karya Makmur Bahagia subsidiary of Bumitama Agri Limited	
1.2.2	Contact person	Erick Perdana Andreas	
1.2.3	Organization address and site address	RSPO registered company: Jl. Melawai Raya No. 10 Kebayoran Baru Jakarta Selatan 12160 Indonesia.	
1.2.4	Telephone	(62-21) 727 98418	
1.2.5	Fax	(62-21) 727 98665	
1.2.6	E-mail	erick.perdana@bumitama.com	
1.2.7	Web page address	www.bumitama-agri.com	
1.2.8	Management Representative who completed the application for certification	Erick Perdana Andreas	
1.2.9	Registered as RSPO member	1-0043-07-000-00 – 08 October 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and Supply Base: Gunung Makmur Mill, Gunung Makmur Estate, Bukit Daman Estate, Sungai Mentaya Estate.	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Gunung Makmur	Rantau Tampang Village, Telaga Antang Sub District, Kotawaringin Timur District, Kalimantan Timur Province, Indonesia	S 1° 45' 36.00"E 112° 35' 48.10"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			LatitudeLongitude
	Gunung Makmur Estate (GMKE)	Gunung Makmur Village, Antang Kalang Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 1°43' 37"E 112°39' 45"
	Sungai Mentaya Estate (SMNE)	Gunung Makmur Village, Antang Kalang Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 1°40' 56"E 112° 37' 16"
	Bukit Daman Estate (BDME)	Gunung Makmur Village, Antang Kalang Sub District, Kotawaringin Timur District, Kalimantan Tengah Province, Indonesia	S 1°43' 39"E 112° 39' 41"

1.5	Description of Area Statement				
1.5.1	Tenure				
	• State	15,100.24 Ha			
	• Community	- Ha			
	the total land permits that owned by PT KMB are 15,100.24 Ha, however the scope of certifications under Gunung Makmur Mill Are 8,388.90 Ha and the rest of permits area (6,711.34 ha) under scope of Bukit Makmur Mill. <i>Note: there is a reduction in the certification scope of 144.67 Ha from the previous assessment for the Gunung Makmur Mill scope. This is due to changes in the area statement where the 144.67 Ha area is included in the scope of Bukit Makmur Mill and these changes are in accordance with the minutes of changes to the area statement which have been approved by the Regional Head.</i>				
1.5.2	Area Statement				
	• Total Area	8,388.90	Ha		
	• Mature area	5,522.00	Ha		
	• Immature area	1,751.61	Ha		
	• Mill	44.19	Ha		
	• Emplacement, housing and office	88.31	Ha		
	• Road, bridge and trench	445.09	Ha		
	• HCV Area	169.54	Ha		
	• River Riparian	6.16	Ha		
	• Occupation	362.00	Ha		
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Gunung Makmur Estate	Bukit Daman Estate	Sungai Mentaya Estate	Total
	1998	140.38	-	-	140.38
	1999	693.03	19.47	-	712.50
	2000	596.69	21.17	22.42	640.28
	2001	24.70	-	6.74	31.44
	2002	70.23	343.91	51.57	465.71
	2003	305.22	265.08	79.98	650.28
	2004	106.78	41.12	50.16	198.06
	2005	84.23	108.02	14.17	206.42
	2006	14.34	73.43	21.13	108.90
	2007	34.09	132.88	54.85	221.82
	2008	33.47	112.04	68.73	214.24
	2009	-	83.37	152.74	236.11
	2010	-	76.50	245.39	321.89
	2011	19.69	-	351.67	371.36
	2012	137.07	-	488.46	625.53
	2013	100.83	72.41	203.84	377.08
	Total Mature	2,360.75	1,349.40	1,811.85	5,522.00
	2021	475.99	-	-	475.99
	2022	449.02	-	826.60	1,275.62
	Total Immature	925.01	-	826.60	1,751.61

	TOTAL	3,285.76	1,349.40	2,638.45	7,273.61		
1.6.2	New Planting area after January 2010			1,695.86 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 (%)
	Gunung Makmur Mill	75	397,138.59	86,618.25	21.81	18,688.54	4.71
	<i>*Production data source from 12 months before assessment (June 2022 to May 2023)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha /year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Gunung Makmur	3,669.63	2,360.75	42,162.54	17.86	37,770.64	89.58
	Bukit Daman	1,795.74	1,349.40	21,426.15	15.88	20,181.88	94.19
	Sungai Mentaya	2,923.53	1,811.85	11,413.84	6.30	9,407.17	82.42
	TOTAL	8,388.90	5,522.00	75,002.53	13.58	67,359.69	89.81
	<i>*Production data source from 12 months before assessment (June 2022 to May 2023)</i> <i>Note: some of the FFB from Gunung Makmur Estate, Bukit Daman Estate, and Sungai Mentaya Estate is sent to Bukit Makmur Mill (BGA Group) which is an RSPO Certified Mill)</i>						
1.7.3	FFB description from other source						
	Name of sources/Organization	Type of Organization	Number of Smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Bukit Makmur Estate (Certified RSPO)	PT KMB	-	2,851.56	3,207.87		
	Bukit Kecubung Estate (Certified RSPO)	PT KMB	-	2,681.47	3,016.70		
	Total Certified				6,224.57		
	Sungai Meraya Estate (Non-Certified RSPO)	Subsidiary of BGA	-	1,731.01	35,042.04		
	Baringin Agung Estate/Mekar Jaya Cooperative (Non-Certified RSPO)	Subsidiary of BGA	547	2,135.97	39,657.63		
	Batang Hijau Estate/Lestari Cooperative (Non-Certified RSPO)	Subsidiary of BGA	500	2,003.42	42,111.27		
	Sungai Mentaya Estate/PT Tanah Tani Lestari (Non-Certified RSPO)	Subsidiary of BGA	-	469.16	4,627.59		
	Bukit Daman Estate/PT Tanah Tani Lestari (Non-Certified RSPO)	Subsidiary of BGA	-	1,295.56	17,578.65		
Gunung Makmur Estate/PT	Subsidiary of BGA	-	229.13	826.96			

	Tanah Tani Lestari (Non-Certified RSPO)							
	Sungai Estate/PT Lestari (Non-Certified RSPO)	Penyanguhan Tanah Tani (Non-Certified RSPO)	Subsidiary of BGA	-	2,446.90	7		
	Independent FFB Supplier	Third Party		-	-	183,601.64		
	Total Non-Certified					323,452.78		
						329,677.35		
	*Production data source from 12 months before assessment (June 2022 to May 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 (June 2022 – May 2023) + Opening Stock MT			
	FFB Processed		100,000		73,584.25			
	CPO Production		22,000		20,347.89			
	Palm Kernel (PK) Production		5,000		3,858.74			
1.8.2	Product selling							
	Type of selling product		Actual selling product for last year (June 2022 – May 2023) (MT)					
	CSPO sold as RSPO certified product		0					
	CSPK sold as RSPO certified product		2,830.73					
	CSPO sold under other scheme		0					
	CSPK sold under other scheme		0					
	CSPO sold as conventional		15,869.19					
	CSPK sold as conventional		591.04					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estates	Total Area (Ha)	Production Area (Ha)		FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Gunung Makmur	3,669.63	2,360.75		42,000	17.80		
	Bukit Daman	1,795.74	1,349.40		21,500	15.93		
	Sungai Mentaya	2,923.53	1,811.85		12,000	6.62		
	TOTAL	8,388.90	5,522.00		75,500	13.67		
	*Projected FFB production for next 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes) Extraction (%)		Palm Kernel Out put (tonnes) Extraction (%)		Supply Chain Module
	Gunung Makmur	60	75,500	16,610	22.00	3,398	4.5	MB
	*Projected FFB production for next 12 months of certificate							

1.9	Other Certifications					
	ISO 9001:2015		-			
	ISO 14001: 2015		-			
	ISO 45001: 2018		-			
	ISCC		-			
	Others		-			
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
	MILL	Time Bound Plan				
	Pundu Nabatindo (PT Windu Nabatindo Lestari)	2014	Pundu Nabatindo	2014	Kotawaringin Timur Regency Kalimantan Tengah	Certified
			Koperasi Harapan Abadi	2023	Kotawaringin Timur Regency Kalimantan Tengah	Audit On 2023
			PT Fajar Bumi Nabati (FBI)	2024	Kotawaringin Timur Regency Kalimantan Tengah	Wait RaCP Approval
			PT Gemilang Subur Maju (GSM)	2024	Kotawaringin Timur Regency Kalimantan Tengah	Wait RaCP Approval
	Katari Agro (PT Windu Nabatindo Lestari)	2016	Pelantaran Agro Estate	2016	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
			Katari Agro Estate			
			Pantai Mas Estate			
	Gunung Makmur (PT Karya Makmur Bahagia)	2014	GunungMakmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
			Sungai Mentaya			
			Bukit Daman			
			KUD Mekar Jaya	2024		Wait RaCP Approval
			KUD Sekar Tani	2024		Wait RaCP Approval
			KUD Lestari	2024		Wait RaCP Approval
			KUD Marga Rahayu	2024		Wait RaCP Approval
			KUD Usaha Bersama	2024		Wait RaCP Approval
			KUD Tani Santoso	2024		Wait RaCP Approval
			PT Tanah Tani Lestari	2024		Wait RaCP Approval
			Koperasi Hapakat (PT TTL)	2024		Wait RaCP Approval
			Koperasi Rika Bersatu (PT TTL)	2024		Wait RaCP Approval

		Koperasi Usaha Bersama (PT TTL)	2024		Wait RaCP Approval
		Koperasi Eka Kaharap (PT TTL)	2024		Wait RaCP Approval
		Koperasi Berkat Usaha Bersama (PT TTL)	2024		Wait RaCP Approval
		Koperasi Bina Tani (PT TTL)	2024		Wait RaCP Approval
		Kelompok Tani Karya Bersama (Independent Smallholders)	2024		Wait RaCP Approval
Bukit Makmur (PT Karya Makmur Bahagia)	2019	Bukit Makmur	2014	Kotawaringin Timur Regency, Kalimantan Tengah	Certified
		Bukit Kecubung	2014		Certified
		Sungai Puring (PT Langgeng Makmur Sejahtera)	2024		Wait RaCP Approval
		Koperasi Telawang Bersatu	2024		Wait RaCP Approval
		Koperasi Hinje Ate	2024		Wait RaCP Approval
		Koperasi Eka Kaharap (PT LMS)	2024		Wait RaCP Approval
Kotawaringin (PT Bumitama Gunajaya Abadi)	2019	Sepantaian	2024	Kotawaringin Barat Regency, Kalimantan Tengah	Wait RaCP Approval
		Danau Merah			
		Kotawaringin			
		Tonam Raya			
Lamandau Mill (PT Bumitama Gunajaya Abadi)	2022	(PT Bumitama Gunajaya Abadi)	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Kumai Hilir Estate (PT Andalan Sukses Makmur)	2023	Kotawaringin Barat Regency, Kalimantan Tengah	Audit On 2023
		PT Investa Karya Bhakti	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Kompak Maju Bersama	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Mitra Bahaum	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Tanjung Biru	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Seberang Jaya Sejati	2023	Lamandau Regency, Kalimantan Tengah	Audit On 2023
		Koperasi Pulau Sejahtera	2023	Kotawaringin Barat Regency, Kalimantan Tengah	Audit On 2023
Kendawangan Mill (PT. Gunajaya Karya Gemilang)	2015	Mekar Utama	2015	Ketapang Regency, Kalimantan Barat	Certified 2015
		Kendawangan			
		Banjar Sari			
		Seriam Jaya			
		Membuluh Jaya			
		Koperasi Serba Usaha Bersama	2024	Ketapang Regency, Kalimantan Barat	Wait RaCP Approval

					Wait RaCP Approval
		Koperasi Serba Usaha Karya Bersama			Wait RaCP Approval
		Koperasi Binasari			Wait RaCP Approval
		Koperasi Perkebunan Fajar Mandiri			Wait RaCP Approval
		Koperasi Rimba Sari			Wait RaCP Approval
SukaDamai (PT Rohul Sawit Industri)	2019	PT Masuba Citra Mandiri – 1,567.07 Ha	2019	Rokan Hulu Regency, Riau	Certified 2019
		PT Masuba Citra Mandiri – 326.04 Ha the area which suspect into liability mechanism	2023	Rokan Hulu Regency, Riau	Wait RaCP Approval
		Koperasi Karya Melayu Sejati	2019	Rokan Hulu Regency, Riau	Certified 2019
Pembangunan Raya Mill (PT Agro Sejahtera Mandiri)	2018	PT ASM – 4,861.48 Ha	2019	Ketapang Regency, Kalimantan Barat	Certified 2019
		Teluk Rengit (PT Gunajaya Harapan Lestari)	2024	Ketapang Regency, Kalimantan Barat	Wait RaCP Approval
		PT ASM – 768.72 Ha the area which suspect into liability mechanism	2024	Ketapang Regency, Kalimantan Barat	Wait RaCP Approval
		KopBun Agro Seriam Mandiri	2018	Ketapang Regency, Kalimantan Barat	Certified 2019
		Koperasi Bawal Sejahtera Mandiri	2024	Ketapang Regency, Kalimantan Barat	Wait RaCP Approval
		PT ASM – 494.49 Ha	2020	Ketapang Regency, Kalimantan Barat	Certified 2020
		Kelompok Tani Sawit Maju Sejahtera (1,427.09 Ha)	2024	Ketapang Regency, Kalimantan Barat	Wait RaCP Approval
Sungai Rasau Mill (PT Karya Bakti Agro Sejahtera)	2020	Marau Raya	2023	Ketapang Regency, Kalimantan Barat	Plan for Reaudit in 2023
		KUD Rangkong Bertuah	2025	Ketapang Regency, Kalimantan Barat	Wait for RaCP Approval
		KUD Rasau Tiga Bersama	2025	Ketapang Regency, Kalimantan Barat	Wait for RaCP Approval
		PT Agriplus	2025	Ketapang Regency, Kalimantan Barat	Wait for RaCP Approval
Selucing Mill (PT. Windu Nabatindo Abadi)	2022	Serawak Damai (PT Windu Nabatindo Sejahtera)	2024	Central Kalimantan	Wait for RaCP Approval
Sungai Cempaga Mill (PT. Windu Nabatindo Abadi)	2022	PT. Windu Nabatindo Abadi	2023	Central Kalimantan	No NPP have got sanction
		PT Nabatindo Karya Utama	2022	Central Kalimantan	Certiied
		KSU Sehati Pundu	2025	Central Kalimantan	-

			Koperasi Koling Hapakat	2023	Central Kalimantan	Audit On 2023
	Bukit Tunggal Jaya Mill (PT Ladang Sawit Mas)	2022	PT Ladang Sawit Mas	2023	Ketapang Regency, West Kalimantan	Wait for RaCP Approval
			KopBun Bukit Tunggal Sejahtera	2023		
			KopBun Mitra Perjalanan Permai	2023		
			PT Lestari Gemilang Intisawit	2023		
			Koperasi Kayong Sekayuk	2023		Wait for RaCP Approval
			Koperasi Mitra Sejati	2023		
			PT Ago Manunggal Sawitindo	2023		
			PT Nabati Agro Subur	2023		
			PT Sejahtera Sawit Lestari	2023		Certified
			PT Karya Makmur Langgeng	2023		
			PT Gemilang Makmur Subur	2023		Certified
			Koperasi Istana Pawan Mandiri	2023		
			Koperasi Rungau Sejahtera	2023		
			PT Damai Agro Sejahtera	2023		Wait for RaCP Approval
	Bukit Belaban Mill (PT Sentosa Prima Agro) **Replanting from Acquisition	2022	PT Sentosa Prima Agro	2023	Ketapang Regency, West Kalimantan	Audit On 2023
			PT Raya Sawit Manunggal	2023	Ketapang Regency, West Kalimantan	Audit On 2023
			PT Wahana Hijau Indah	2023	Ketapang Regency, West Kalimantan	Audit On 2023
			PT Hungarindo Persada	2024	Ketapang Regency, West Kalimantan	Wait for RaCP Approval
	* Time bound plan was updated on 06 March 2023.					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	PT Karya Makmur has smallholder scheme. In 2019 the scheme smallholders have been conducted RSPO audit, but due to legal issue and major issue the certificate of compliance RSPO is not published and based on Time Bound Plan for the scheme smallholders of PT KMB planned in 2024.					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA-1.4	<ol style="list-style-type: none"> Rahmat Abdiansyah (Lead Auditor). Indonesian citizen, Bachelor of Forestry from the Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&C in 2019 and 2020. In this audit, he verified the Legal, Land Dispute and SCCS. Firda Tarunajaya (Auditor). Indonesian citizen, Bachelor of Forestry from the Department of Silviculture, Bogor Agricultural University. He has working as an Operational Staff in an Oil Palm Plantation Company in Indonesia. Attended trainings are Lead Auditor RSPO, RSPO ISH Training in 2022, Lead Auditor ISPO, Quality Management Systems (ISO 9001:2015) by IRCA, Environmental Management Systems (ISO 14001:2015), ISO 19011:2018, ISO 17021:2011 and ISO 17065:2012. During this assessment, he verified Transparency and Worker Welfare aspect. 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 Completed Awareness Social Audit SMETA in 2022. During this assessment, the aspects of BMP, OHS, Long Term Budget were verified. I Wayan Sudi Antara (Auditor Trainee). Bachelor of Agricultural Engineering at the IPB University Bogor. Experienced in preparing Environment Impact Assessment since 1990 (has a competency certificate for Team Leader for EIA Preparation), involved as an auditor assessing the performance of Sustainable Production Forest Managers for both the Indonesian Ecolabel Institute/LEI scheme since 1997 and the Ministry of Forestry scheme since 2002 (has Auditor and LEI certificates). Previously worked at a Forestry Consultant, experienced in ISPO & RSPO assessment as an auditor (has passed ISPO & RSPO training). The training he has followed namely: Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 14001, Awareness ISO 45001, and Awareness ISO 19011. During this assessment, he verified the aspects of environment, Social, conservation and GHG aspect under supervise Lead Auditor.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ASA-1.4	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for audit ASA-1.4: 4 days</p> <p>Number of working days for audit ASA-1.4: 12 Working days</p>
2.2.2	Assessment Process
ASA-1.4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Karya Makmur Bahagia to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to directly observe the sufficiency of implementation on site. Some</p>

opportunities for improvement of the results ASA-1.4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase RC. Improvement of findings from main assessment findings were observed by auditors at this ASA-1.4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.4.

Team of auditor started their trip from Jakarta to Palangkaraya and continued to site on 19 June 2023. Once arrived, team auditor conducted Opening Meetings in the Meeting Room of Region office of PT Karya Makmur Bahagia on 20 June 2023. Opening meeting attended by Area Controller, Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Public Stakeholder Notification was made on MUTU Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.

Closing Meeting conducted in the region office of PT Karya Makmur Bahagia on 23 June 2023. Closing meeting attended by Area Controller, Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel. During closing meeting, the unit management agree with recommendations of auditor regarding certification process.

Some opportunities for improvement of the results ASA-1.4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase RC. Improvement of findings from main assessment findings were observed by auditors at this ASA-1.4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1.4 report.

All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU).

The assessment program please find Appendix 2

2.2.3	Locations of Assessment
ASA-1.4	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p>Gunung Makmur Mill</p> <ul style="list-style-type: none"> • Security Post. Observation and interview with security related personnel understanding over the applicable SOP, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare. • Weighbridge station. Observations and interviews related to workers welfare, training, FFB traceability and supply chain system. • Sorting Station. Observation of FFB sorting work practices according to SOPs, implementation of OHS and environmental aspects

- Sterilizer Station. Observation of the FFB boiling process according to SOPs, implementation of OHS and environmental aspects
- Press Station. Observation of the pulp compression process according to the SOP, the application of OHS and environmental aspects
- Boiler Station. Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- Clarification Station. Observation of boiler work process according to SOP, implementation of OHS and environmental aspects
- Engine Room Station. Observation of work processes in the Engine Room according to SOPs, implementation of OHS and environmental aspects
- Laboratory. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- WTP. Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- Empty Bunch Area. Observation of the management of EFB to composting management the production process of mill.
- Chemical Warehouse. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Hydrant. Simulation the function of hydrant and team readiness.
- Schedule Waste Storage. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Workshop. Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- Material Storage. Observation and interview related stock of PPE.
- WWTP. Field observations related to Ban to entry to WWTP, run off, testing of effluent.
- Empty Bunch Area. Observation of the management of EFB to composting management the production process of mill.
- Employee Housing Complex. Observation and interview related to waste management, house condition and infrastructure for the welfare of workers and their family.

Bukit Daman Estate

- HGU Pole No. 591 Block B06a. Observation of the condition of the HGU boundary markers owned by the company.
- HGU Pole No. 594 Block B06a. Observation of the condition of the HGU boundary markers owned by the company.
- HGU Pole No. 664 Block A04a. Observation of the condition of the HGU boundary markers owned by the company.
- HGU Pole No. 1019 Block P04b. Observation of the condition of the HGU boundary markers owned by the company.
- BGA Manuring System Division 1 and 2, Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect.
- BGA Spraying System Division 1 and 2 Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect.
- Material Storage. Observation and interview related stock of PPE.
- Fertilizer Storage. Observation and interview related management of fertilizer.
- Housing Complex division 1 & 2. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities.
- Firefighting warehouse and simulation of firefighting equipment. Material handling observations for OHS and simulations.
- Beneficial plant – *Turnera ulmivolia*, Block M05. Observation related IPM implementation.

- Harvesting, Block O05 and M05. Observation and interview about work procedure, OHS Aspect, labour aspect, social aspect, and environment aspect.
- Circle path spraying, Block R05. Observation and interview about work procedure, OHS Aspect, labour aspect, social aspect, and environment aspect.
- FFB Loading, Block O05. Observation and interview about work procedure, OHS Aspect, labour aspect, social aspect, and environment aspect.
- Weed Slasher, Block I04. Observation and interview about work procedure, OHS Aspect, labour aspect, social aspect, and environment aspect.
- EFB Application, Block I04. Observation and interview about work procedure, OHS Aspect, labour aspect, social aspect, and environment aspect.
- Barn Owl Box, Block Q05. Observation related IPM implementation.
- Landfill, Block I04A. Observation related waste management system.
- BGS (Bumitama Ground Management System) Division 1. Observation and interview related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect.
- Genset Room, Division 1. Observation and interviews related work procedure, OHS Aspect, Labour Aspect, Social Aspect, and Environment.
- Day Care Division 1. Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, employment, and interview related complaint mechanism.

Sungai Mentaya Estate

- Harvesting, Block N09 Division 2. Technical observation of work according to SOP and implementation of OHS aspects.
- Weeding Manual Block Q18 Division 5. Observation related works tools for Weeding Manual activity and OHS aspect.
- EFB Application Blok Q03 Division 3. Observation and Interviews of working procedure, OHS, employment, and environmental.
- Spraying, Block T12 Division 5. Technical observation of work according to SOP, implementation of OHS and environmental aspects.
- Manuring, Block R14 Division 5. Technical observation of work according to SOP, implementation of OHS and environmental aspects.
- *Kastrasi* Block U19 Division 5. Technical observation of work according to SOP, implementation of OHS and environmental aspects.

Gunung Makmur Estate

- Generator House. Interviews of working procedure, OHS, employment, and environmental (hazardous waste management).
- Spraying, Block O03A, Division 1. Technical observation of work according to SOP, implementation of OHS and environmental aspects.
- Beneficial Plant, Blok 6 Division 1. Management of plant pests.
- Manuring, Block N08a Division 2. Technical observation of work according to SOP, implementation of OHS and environmental aspects.
- BGA Manuring System Division 1 and 2, Observation related works tools for Manuring activity, PPE Storage, Rinse House, environmental and OHS aspect.
- BGA Spraying System Division 1 and 2 Observation related works tools for spraying activity, PPE Storage, Rinse House, environmental and OHS aspect.
- Day-care Division 1 and 2. Observations and interviews related to the facilities provided to workers such as employee housing, clean water, day-cares, school, employment and interview related complaint mechanism.
- Chemical Storage. Observation and interview related management of chemical.
- Material Storage. Observation and interview related stock of PPE.
- Fertilizer Storage. Observation and interview related management of fertilizer.

	<ul style="list-style-type: none"> Housing Complex division 1 & 2. Observation the availability of infrastructure such as housing, water and electricity facilities, fire extinguisher, education facilities, religious facilities, health facilities, daycare domestic waste management, childcare and sports facilities. HGU Pole No. 979 Block N02a. Observation of the condition of the HGU boundary markers owned by the company. HGU Pole No. 50 Block H08a. Observation of the condition of the HGU boundary markers owned by the company. HCV area Elang Hill, Division 3, Block Q26a. Field observation related to environmental aspects, and HCV border. HCV area Kehu River, Division 4, Block P32a. Field observation related to environmental aspects, and HCV border. Firefighting warehouse and simulation of firefighting equipment. Material handling observations for OHS and simulations.
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-1.4	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for PT Karya Makmur Bahagia was held by:</p> <ul style="list-style-type: none"> Public Notification on website Mutu International on 05 June 2023 Public consultation with NGOs (by email) such as WALHI, WWF, AMAN and Sawit Watch on 08 June 2023 Public consultation meeting with government institution in Kotawaringin Timur District on 20-23 June 2023 Public consultation meeting with communities (Tumbang Sepayung, Sungai Hanya, Gunung Makmur, and Tumbang Boloji) on 20-22 June 2023 Public consultation meeting with internal stakeholders and contractor on 20-23 June 2023. <p>Numbers of input from stakeholders were clarified by PT Karya Makmur Bahagia</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (RC) will be conducted eight (8) months to twelve (12) months after date of annual license.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Gunung Makmur Palm Oil Mill – PT Karya Makmur Bahagia subsidiary of Bumitama Agri Ltd operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were four (4) Nonconformities were assigned against Major Compliance Indicators, one (1) nonconformity were assigned against Minor Compliance Indicators and Three (3) 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. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence. Those corrective actions taken that consist of two (3) Major non-conformities and two (2) Minor non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Gunung Makmur Palm Oil Mill – PT Karya Makmur Bahagia subsidiary of Bumitama Agri Ltd complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.

Therefore, MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued

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

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

1.1.2

Companies can show records of providing information to relevant agencies in the form of routine reports, for example:

- **Plantation Legality**
 - PT Karya Makmur Bahagia Plantation Business Development Report for the 1st Quarter of 2023 to the Agriculture and Plantation Service of Kotawaringin Timur Regency on 30 May 2023.
 - The Investment Activity Report (LKPM) of PT Karya Makmur Bahagia Quarter 1 of 2023 has been declared to have been received by the Ministry of Investment/BKPM on April 3 2023 for the Plantation unit.
 - PT Karya Makmur Bahagia Quarter 1 2023 Investment Activity Report (LKPM) has been declared to have been received by the Ministry of Investment/BKPM on April 3 2023 for the Mill unit.
 - PT Karya Makmur Bahagia's 2022 HGU Utilization Report was reported to the Kotawaringin Timur Regency Land Agency and the Central Kalimantan Province National Land Agency on January 16 2023.
- **Compliance with Environment Regulation**
 - PT KMB RKL & RPL Implementation Report (exclude: BMKM) Semester II 2022
 - UKL-UPL BMKM
 - Submission of GMKM TW-IV 2022 Environmental Monitoring Report to Environment Agency of Kotawaringin District
 - Liquid Waste LHU Report. KMB Unit Gunung Makmur Mill Quarter I 2023. Liquid Waste Report Quarter 1 2023 Gunung Makmur Mill PT. KMB to Environment Agency of Kotawaringin District on 30 May 2023
 - Hazardous and toxic waste report Quarter 1 2023. KMB Region 1 to Environment Agency of Kotawaringin District on 30 May 2023
 - Hazardous and toxic waste report Quarter 1 of 2023 Gunung Makmur Mill PT. KMB Environment Agency of Kotawaringin District on 30 May 2023
 - Hazardous and toxic waste report Quarter 1 of 2023 Central Mentaya Traksi-Metro Mentaya PT. KMB to Environment Agency of Kotawaringin District on 30 May 2023
- **OHS Aspect**
 - PT KMB P2K3 report, 1st Quarter 2023 period, to the Kotawaringin Timur Regency Manpower and Transmigration Service on 17 May 2023.
- **Manpower Aspect:**
 - Employment Report at the BDME which is submitted online with Reporting number 74355.20230520.0001 on May 20th, 2023 and report again on 20 May 2024
 - Employment Report at the SMNE which is submitted online with Reporting number 74352.20230520.0009 On May 20th, 2023 and report again on 20 May 2024
 - Employment Report at the GMKE which is submitted online with Reporting number 74355.20230520.0006 on May 20th, 2023 and report again on 20 May 2024
 - Employment Report at the GMKM which is submitted online with Reporting on 74352.20230520.0002 on May 20th, 2023 and report again 20 May 2024

1.1.3

PT KMB has an Information Service SOP which is contained in procedure of Communication (KMB-SUST-SOP-09) revision on 3 December 2019. The procedure informed that some documents relevant to RSPO Criteria can be accessed by stakeholder. The objective of this procedure is to provide practical guidance for handling communications in the field of Occupational Safety, Health and Environmental Protection (OHS & environment) and RSPO both internally and with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

Company has documented incoming letter from external stakeholder in "Incoming Letter Logbook". Based on that document, the letter mostly about assistance request and meeting invitation. The company also records responses to incoming letters, for example a letter from the Tumbang Sungai Village Hindu Religion Saka New Year Nyepi Celebration Committee dated February 7, 2022, regarding a request for financial assistance for Nyepi Celebration activities and the company responded on February 18, 2023.

1.1.4

PT KMB has the procedure for communication which is written in Communication Procedure (KMB-SUST-SOP-09) revision on 3 December 2019. The objective of this procedure is to provide practical guidance for handling communications in the field of Occupational Safety, Health and Environmental Protection (*K3L*) and RSPO both internally and with external parties with a maximum response of 15 days after information request letter received by certificate holder. The PIC appointed to take care of this matter is the CSR Staff.

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

1.1.5

PT KMB showed a list of stakeholders for 2023 compiled by Sustainability Region Mentaya and CSR Region Mentaya consisting of 7 representatives from Central Kalimantan Province; 14 representatives of Kotawaringin Timur Regency; 7 representatives from Kotawaringin Timur District; 22 representatives from surrounding villages; 12 people from representatives of 4 Plasma Cooperatives, 4 contractors; 5 internal stakeholders, 22 local suppliers, 37 FFB suppliers, etc.

As a result of the document review, it is known that the renewal of the Stakeholder list was carried out by the CSR Region and checked by the Sustainability Region Mentaya. As a result of interviews with several stakeholders during the audit, it was found that they understood the complaint mechanism, what information could be requested from the Company, as well as the communication mechanism with the Company. The observation results also show if the number contained in the Stakeholder List document is active. This is a follow-up to the previous OFI audit, that the stakeholder list has been updated.

Status: Comply

1.2

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

1.2.1

The certification unit has Code of conduct No. BGA-COC-HC-333.1-R0, dated October 28, 2014. Code of conduct explain code of conduct principles, conflict of interest, bribery and illegal or unethical practices, entertainment and gifts, misuse of position, insider trading, confidentiality, restriction on solicitation, media relations, worker union, political and social activities, installation of illegal computer software, anti-money laundering, trade compliance & export controls and sanctions, and commitment to human rights.

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

- Socialization of the Code of Conduct to GMKM employees on July 18, 2022, attended by 58 people consisting of FFB grading employees, factory admins, midwives, maintenance, foremen and composting employees.
- Socialization of the Code of Conduct to BDME employees on December 2, 2022, attended by 15 people consisting of harvest and harvest foreman employees.
- Socialization of the Code of Conduct to SMNE employees on 17 May 2023 attended by 48 people consisting of harvesting employees, plant maintenance employees and foremen.

Socialization activities include company regulations, business ethics, code of conduct, integrity, communication and consultation SOPs, human rights, and complaint and dissatisfaction SOPs.

Based on the description above, it shows that the company already has a policy to act ethically which is carried out in its operational activities including the recruitment of employees.

1.2.2

The certification unit has code of conduct No. BGA-COC-HC-333.1-R0, dated October 28, 2014. This policy regulates about the guideline behaviour for BGA worker, such as not allowed to accept and/ or give gifts, souvenirs, business meals or other facilities that can affect decision making in violation of applicable provisions in the certification unit. This policy is

implemented in all operation unit, therefore the whistle blowing complaint channel is a system for monitoring the implementation of business ethics policies.

The certification unit also has mechanism to monitor the compliance and implementation of the policy and overall ethical business through performance assessment. The Performance assessment was conducted to certification unit personnel (employees) or third party (contractors) regularly. The results of the performance assessment will deliver to the Administration Dept Head from each department.

In addition, the company has an Operational Internal Audit Department that conducts operational inspections at factories and agronomy, then the results of these inspections will be reviewed by the company's management.

Based on the description above, it shows that the company already has a system to monitor compliance and the implementation of ethical business policies and practices as a whole.

Status: Comply

PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

2.1

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

2.1.1

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

Manpower Aspect

- Employee wages have been referred to the Decree of the Governor of Central Kalimantan No. 188.44/472/2022 concerning the 2023 Regency Minimum Wage. The decree stipulated the minimum wage for plantation and the processing sector with a value of IDR 3,265,859.89
- The certification unit has implemented a structure and scale of employee wages based on years of service and work assessment of each employee.
- Company Regulation for the period 2021-2023 which has been ratified based on the Decree of the Head of the Manpower and Transmigration Office of Kotawaringin Timur Regency on Juli 27th, 2021.
- Ratification of the Management of the Bipartite Cooperation PT KMB No 560.565/482/DISNAKERTRANS/XI/2022 by the Head of the Manpower and Transmigration Agency of Kotawaringin Timur Regency on 5 September 2022.
- Deed of Establishment of PT BGA Employee Cooperative by Notary Irma Bonita, Number 09 on 12 January 2009.

Legal Aspect

The company has complied with applicable laws and regulations regarding legal aspects, namely:

- The Company has an HGU in accordance with Certificate of Cultivation Rights No.19 issued by the Land Office of Kotawaringin Timur Regency, Central Kalimantan Province on 22 October 2001 for land located in Antang Kalang District covering an area of 15,056.31 Ha (fifteen thousand fifty-six point thirty-one hectares) with a validity period until October 22, 2036.
- The company has HGB in accordance with Building Use Rights Certificate (HGB) No.1 of 2005 issued by the Land Office of Kotawaringin Timur Regency, Central Kalimantan Province dated January 18 2005 for land located in Rantau Tampang Village, Antang Kalang District with an area of 439,329 M2 (four hundred thirty-nine point three two nine square meters) is valid until January 18 2033.
- The company has a Plantation Business License in accordance with the Decree of the Regent of Kotawaringin Timur No: 525.26/603/VIII/EKBANG/I/2006 dated 04 August 2006 concerning Plantation Business License (IUP) in the name of PT. Karya Prosperous Happy. In the decision it was determined that the Regent of Kotawaringin Timur granted a Plantation Business Permit (IUP) in the name of PT. Karya Makmur Bahagia with specifications for the type of oil palm plant, area ± 15,056.31 Ha, factory capacity 90 tons/hour, type of CPO processed product.

BMP & OHS Aspect

- The CH controls weeds and pests using pesticides registered at the Directorate General of Fertilizers and Pesticides, such as Penta Up - Z 480 SL with RI register number 01030120062456.
- PT KMB has an OHS Expert which is valid 01 November 2025, has 1 steam aircraft operator and 1 engine room operator who has an OHS license. To meet operator requirements, it has been discussed in indicator 3.7.1.
- PT KMB has used certified seeds.
- Checking of POM machines has been carried out periodically.

Environmental Aspects

- Social Environment Impact Assessment (AMDAL) was approved by AMDAL Commission of Kotawaringin Timur District No. 23/Komisi-Kotim/VIII/2002 dated on August 9, 2002 for the scope of an area of 17.500 Ha and a Palm Oil Mill with Capacity of 40 Ton FFB/hour.
- Decree of the Kotawaringin Timur Regent No: 188.45/293/Huk-BLH/2013 dated 30 May 2013 about Environmental Permits for Construction of the Gunung Makmur Mill with Capacity of 90 Tons of FFB/Hour.
- Decree of the Kotawaringin Timur Regent No: 188.45/299/Huk-BLH/2013 dated 26 June 2013 about Environmental Permits for the Construction of the Bukit Makmur Mill with Capacity of 90 Tons of FFB/Hour
- Decree of the Kotawaringin Timur Regent No: 660/437/DLH-ek.SDA/VI/2017 on May 31, 2017 about Permit to utilize palm oil industrial POME on (Land Application).
- Decree of the Kotawaringin Timur Regent No: 660/493/DLH-Ek.SDA.VII/2017 dated 25 July 2017 about Permit for temporary storage of hazardous and toxic waste.

2.1.2

The company has a system to ensure legal compliance to track changes to applicable regulations. The procedure is stated in the document BGA-SOP-CCS-1102.1-R0, which was approved by the Director on 9 May 2012. The SOP states that the Corporate Communication Sustainability Department (CCS Department) has the responsibility to compile and monitor laws and regulations related to laws. The procedure states that in the context of monitoring and updating laws and regulations, the sustainability officer must actively check and coordinate with Government Agencies or Agencies. Internal audits of compliance with regulations are carried out annually for contractors, for example on May 19 2023 evaluation of the EFB contractor with contractor Rahmat Rafiyanto SPK No 014-PRWTN/KMBL-SMNEL-SMNE/LOKAL/05/2023 dated May 19 2023, with the assessment criteria are:

- Willingness to access operational and information for certification body audit purposes (grade 25), obtaining a value of 25 means that it is in the very good category.
- Security and order at work (grade 20), obtaining a score of 18 means it is in the good category.
- The condition of field worker members is physically and mentally healthy (grade 20), obtaining a score of 18 means that they are in the good category regarding the member's effective working day.
- Employment: age of workers, wages of workers, employment insurance, health insurance (grade 15), scored 0 because there are workers under the age of 18 and do not have health and employment insurance.
- Fulfilment of K3L PPE requirements (grade 10), score 0 for not wearing complete PPE while working.
- Positive response (grade 10), obtaining a value of 10 means it is included in the cooperative category.

Based on the evaluation results, all contractors will progress to fulfil all obligations stipulated by applicable legal regulations and company regulations. Related to the contractor's fulfilment of relevant legal obligations, it is explained in more detail in indicator 2.2.2

Based on the description above, it shows that the company already has a documented system to ensure legal compliance that can track changes to applicable regulations.

2.1.3

Procedures for monitoring and maintaining legal boundary poles are listed in document No. KMB-GIS-SOP-01, dated 27 July 2017. In the procedures stated, maintenance is carried out by division assistants, Geographic Information Systems staff, Area Managers and Legal Managers. Monitoring of HGU boundaries is carried out every 4 months.

Based on the revised PT Karya Makmur Bahagia land plot map published by the Ministry of Agrarian Affairs and Spatial

Planning/National Land Agency which was approved by the Head of Field Measurement and Mapping Sub-Directorate on November 27, 2020, it was found that there were changes in the identity and location of boundary markers when compared with the previous field map. In connection with this situation, the certification unit shows proof/plans for installing boundary pole poles which will be carried out in stages every month and is planned to be completed in the next 3 years (until 2025), where the total number of poles that need to be installed will be at PT. KMB (total of 5 plantations) approximately 4000 poles.

During audit the unit of certification also present the monitoring of boundaries stone in Gunung Makmur Estate, Bukit Daman Estate and Sungai Mentaya with latest monitoring in April 2023. During field observation it was known the current boundaries was installed in accordance with map that owned and appropriate with coordinate points in example boundaries No. 355, 50, 979, 591, 594, 664, 1019, 844 and 845.

Based on the revised land plot map of PT Karya Makmur Bahagia published by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency which was approved by the Head of Field Measurement and Mapping Sub-Directorate on 27 November 2020, it was found that there were changes in the identity and location of boundary markers when compared with the previous field map. In connection with this situation, the certification unit shows proof/plans for installing boundary pole which will be carried out in stages every month and is planned to be completed in the next 3 years (until 2025), where the total number of poles that need to be installed will be at PT. KMB (total of 5 plantations) approximately 4000 poles. The company can show the realization of installing updated stakes until 2023 where 118 stakes have been installed. Companies have the opportunity to ensure the realization of the installation of stakes in accordance with the plans they have. (OFI)

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 company has a list of contractors for 2023 which was updated in May 2023. The list provides information regarding the name of the contractor, person in charge, address, field of work and contact person to contact. The types of services listed in the contractor list are CPO transportation, Kernel Transportation and Replanting. The vendor is still actively doing his job at PT KMB.

The company also has 22 local suppliers engaged in several business fields such as building materials, printing, agrochemicals and PPE, pharmaceuticals, electronics, household furniture, harvesting equipment, spare parts, and others. The suppliers include the Samudra Mas Shop, CV Kencana Lestari, Arima Mas Printing, PT Agritama Multi Sarana, PT Citra Sehat Utama, CV Kharisma Pandora and CV Sarana Prima Lestari.

In addition, the company has 37 FFB suppliers sent to Gunung Makmur POM, including CV Borneo Mitra Sejati, PT Agro Bimantara P, *KUD* Marga Rahayu, *KUD* Lestari, and PT Buana Adhitama.

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

2.2.2

During ASA-1.3, information was obtained that the unit of certification shows a list of FFB suppliers that are still active in 2022, for example CV Borneo Mitra Sejati, *KUD* Waringin Jaya and Suhanto. The certification unit in this case shows the work contract documents with the certification unit for each FFB supplier in which each contract contains the fulfilment of legal obligations including:

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

Based on document verification show that each FFB supplier has good documentation related to the Work Agreement

(SPK) with the certification unit. However, the certification unit has not been able to show evidence regarding the provision of PPE, payment of wages, and payment of *BPJS* for contractor employees.

In this case, the certification unit has not been able to show evidence regarding the fulfilment of relevant legal obligations for all FFB suppliers. NCR 2022.01.

The company made improvements during ASA-1.4, but there is still evidence that has not been fulfilled. In addition, the auditor team has also verified several other contractors and the results of the auditor's verification obtained the following evidence:

A. SMNE

PT KMB has a collaboration with the contractor with the initials RR for the EFB and Compost Application as stated in Agreement Letter No. PRWTNKMBL-SMNE/LOKAL/05/2023 on 15 May 2023. The Agreement Letter stated several things, including:

- Article 3, PPE equipment: Helmets, Cloth Gloves and Boots.
- Article 5, guaranteeing BPJS Health and Employment, wages according to the UMK & UMP, not employing workers under 18 years old.

The company also showed the Agreement Letter on 16 May 2023, namely the Agreement Letter for the collaboration of EFB and Compost between the contractor with the initials RR and the worker with the initial SU.

In addition, the company showed the Empty/Compost Contractor Evaluation Form on May 19, 2023 with a score of 71, which means it is recommended to continue working with the company, but with a note (more intensive monitoring). The criteria evaluated include:

- Manpower Aspect, with the criteria assessed, namely age over 18 years, according to SPK and not having health and employment insurance. The contractor gets a score of 0 because it does not fulfil the employment aspect.
- PPE aspect: with the results of observations in the field that the contractor does not use complete PPE while working. The contractor gets a score of 0.

In cases of non-compliance with the obligations that must be fulfilled by the contractor, on June 21, 2023 the company gave a letter of warning to the Contractor that the contractor workers were not wearing PPE such as helmets, cloth gloves and boots while working in the field. In addition, it does not provide work safety facilities, namely Social Assurance.

On June 21, 2023, the contractor made a letter of reply to the warning and stated that the contractor agreed to provide PPE for members in the field such as helmets, gloves and boots. In addition, the contractor will provide Social Assurance facilities to its management approximately 3 months after this letter is issued.

Based on the results of observing the work of the application for empty sheets in block Q03 Division 3 SMNE, it is known that all workers are not wearing PPE while working. In addition, there is one worker with the initial D with a date of birth November 10, 2006 (\pm 16 years old and 7 months).

B. GMKM

At Gunung Makmur Mill there are several contractors including PT Prima Sawit Teknik Berjaya (PT PSB), which is the contractor for the Cyclone Fiber structure work. The auditor made field observations at GMKM.

Based on the results of interviews with contractor workers in the field, it is known that there is no written agreement between PT PSB and its workers. The correspondent also stated that he was not included in the Health Assurance and Social Assurance programs.

In addition, PPE in the form of safety shoes is the result of buying it yourself and working wages of Rp. 100,000/day. Until the Audit activities are completed, there are no documents showing compliance with the fulfilment of the contractor's obligations to its workers.

In addition, at GMKM there is a contractor on behalf of CV Catur Borneo Abadi (CV CBA), namely the contractor for Freight Services, based on the results of interviews with contractor representatives, information was obtained that CV CBA has 15 Units operating at KMB. The results of the interview revealed that so far there has been no work agreement letter between CV CBA and its workers. In addition, not all workers are included in the Social Assurance and Health

Assurance programs. Until the Audit activities are completed, there are no documents showing compliance with the fulfilment of the contractor's obligations to its workers.

Based on the description above, the Company has not been able to provide comprehensive evidence regarding third party compliance with legal obligations, including work agreements, minimum wages, social security participation, OHS (fulfilment of PPE) and the minimum age limit for workers, this is a non-compliance. This discrepancy is repeated so that the non-compliance status raised to Major. NC 2022.01 with raised to Major Category

2.2.3

The company shows a list of local contractors for 2023, including CV Cahaya Bumi Rezeki as the contractor for the Replanting work. The company has a partnership with PT CBR in work agreement letter No. 642-RPLANT/KMBL-GMKE/JKT/01/2023 on January 2, 2023, valid until December 31, 2023. In the agreement letter, PT CBR must comply with labor regulations, especially regarding wages and workers over 18 years of age, forced labor, and workers from human trafficking. In addition, contractors are responsible for worker safety, maintain ethics, decency, decency and not do things that violate laws.

Based on interviews with contractor representatives, it is known that workers' wages are above the minimum wage and there is no compulsion in working.

Based on the description above, it shows that all contracts have their own clauses that prohibit practices that involve child labor, forced labor, and workers from human trafficking.

Minor
2.2.2

Status: Nonconformance No. 2022.01 with raised to major category

2.3

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

2.3.1

Gunung Makmur Mill accepting FFB from own estate under scope under certification and other estate or company subsidiary of Bumitama Agri Ltd. FFB Sources of Gunung Makmur Mill originally from:

- Certified FFB originating from own plantations in the certification area, namely Gunung Makmur Estate, Bukit Daman Estate and Sungai Mentaya Estate. (Certified RSPO)
- Certified FFB originating from estate under Bumitama Agro Ltd, namely Bukit Makmur Estate and Bukit Kecubung Estate. (Certified RSPO)
- Uncertified FFB originating from their company under subsidiary of Bumitama Agri Ltd namely PT Tanah Tani Lestari (BGA Group).
- Scheme smallholders of PT Tanah Tani Lestari (BGA Group)
- Scheme smallholders of PT Karya Makmur Bahagia (BGA Group).

2.3.2

Based on documents verifications the company can presented traceability from outgrowers,/ FFB Collectors in example PT Agro Bimantara Plantation

- Address: Tumbang Batu Village, Mentawa Baru sub-District, Kotawaringin Timur Regency, Central Kalimantan Province
- Coordinate: Longitude 734.165,59 and Latitude 9.787.630,63
- Land ownerships documents: Location Permit
- Planting / operational / Trade permit: Plantations Permit (01/DPMPTSP/IUP/XII/2019)
- Total Area: 1900 ha

The Auditor Team has also verified evidence of improvements to previous assessment discrepancies. The company has been able to show evidence of improvement in the form of:

- Distribution map of core FFB suppliers and third party FFB suppliers. The map explains the coordinates of the FFB supplier, the name of the FFB supplier, and the distribution of FFB supplier locations.
- Legality documents for external FFB supplier land entering the BMKM. The document explains the number of

collectors/agents, the number of farmers from each collector/agent, proof of land ownership of the farmers, and the coordinate points. Apart from that, for FFB from other companies, the company can also show proof of coordinates, area size, and related permits such as IUP and NIB.

- Root problem analysis, correction, and corrective action.

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

Status: Comply

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

3.1

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

3.1.1

The company shows a record of long-term planning in the 5 Years Financial Projection document of PT Karya Makmur Bahagia 2022-2027 which is approved by the Head Administration. The document contains information on plantation business including projected production of FFB, CPO, Kernel Oil, projection of CPO and Kernel extraction, CPO prices, kernel prices, FFB purchases from plasma and also from external parties such as in 2024:

- Production: 146,153 ton
- CPO: 35,077 ton
- PK: 6,577 ton
- FFB plasma price (Rp/kg): 3,550
- CPO price (Rp/kg): 12,542
- PK price (Rp/kg): 4,912

Based on the description above, it is concluded that the company already has a long-term planning document that includes the feasibility of a jointly developed business for plasma farmers through the purchase of FFB from *plasma* farmers.

3.1.2

The Company have replanting plan for PT. KMB which is described in the following table:

Unit	Replanting Plan					
	2023	2024	2025	2026	2027	2028
BDME	52	408	434	493	-	-
GMKE	784	595	267	227	-	-
SMNE	205	594	537	515	562	183

Based on the table above, knowing that the company annual replanting programme projected for a minimum of five years available. Replanting activities are always evaluated periodically. One of them is shown in the Progress Replanting Estate GMKE Mentaya Region document dated 22 May – 27 May 2023 which was created by the GIS Replanting Team. Several things were discussed regarding chipping progress, finishing progress, planting progress, tracking progress, planting nuts, etc.

3.1.3

PT KMB shows records of the implementation of management reviews to carry out periodic evaluations. The recording of the Minutes of the Results of the RSPO – SCCS and ISPO PT KMB Management Review Meeting which was held on 09 June 2023 has been shown. In the Minutes of the Management Review Meeting, the results of the Management Review Meeting have discussed, among other things, the achievements of the follow-up to the previous management review, the results of internal audits, claims from buyers, complaints from stakeholders, process performance, status Corrective and preventive actions, improvement recommendations.

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 management unit has developed and implemented an action plan for continuous improvement and it is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification, such as:

- Waste management and monitoring through WWTP Management, effluent quality testing and reporting to the Kotawaringin Timur Regency Environmental Agency.
- Air quality management and monitoring through road maintenance, air quality testing and reporting to the Kotawaringin Timur Regency Environmental Agency.
- Management and monitoring of groundwater through testing ground water quality and reporting it to the Kotawaringin Timur Regency Environmental Agency.
- Hazardous waste management through the Storage of Hazardous and Toxic Waste and Waste Management and Monitoring of Hazardous and Toxic Materials.
- Greenhouse Gas (GHG) Management. Implement zero burning policy, utilization of EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.
- The company no longer uses pesticides with the active ingredient paraquat.
- The company has implemented biological pest control in this case by using host plants and owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas that benefit the community.
- The use of renewable fuels and the use of fertilizers and pesticides are in accordance with the recommendations to reduce the use of fossil fuels.

In terms of continuous improvement, the company carries out an RSPO Internal Audit to evaluate compliance with regulations and compliance with RSPO standards. The company can show records of the RSPO internal audit carried out on 15-20 May 2023 which was carried out by the Company's internal auditor. From the results of the internal audit, there were 7 non-conformities, and these were corrected by the Company on June 9, 2023. The Company also carried out a Management Review which was carried out on June 9, 2023.

3.2.2

Guidelines for the 2018 RSPO Principles and Criteria Matric Template Code Document RSPO-GUI-P03-003 V1 IND, explained in indicator 3.0 regarding Metric Data Flow that:

1. Required metrics are recorded by the unit of certification using the RSPO P&C Matric Template, which can be downloaded from the RSPO website.
2. The completed RSPO P&C Matric Template will be submitted by the certification unit to the CB prior to the audit.
3. The completed RSPO P&C Matric Template will be verified by the auditor regarding its completeness and reliability (validity) during the audit.
4. The verified Matric Template will be uploaded by the Certification Body on the RSPO TI Platform.
5. The uploaded Matric Template will be checked for completeness by the RSPO Secretariat before being approved.
6. Upon approval, an audit report, including a verified RSPO P&C Matric Template, will be issued by the Certification Body/auditor for the unit of certification.

Based on the description above, until the time limit for this Audit assessment activity, the unit of certification has not filled out and submitted the metric template to the Auditor. **NC 2023.01 with Minor Category**

Minor 3.2.2	Status: Nonconformance No. 2023.01 with Minor category	
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3.3

Operating procedures are appropriately documented, consistently implemented and monitored.

3.3.1

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

- BGAAGRKS-SOP-01 Volume 1: Seeding (SOP-01), Land Preparation (SOP-02), Construction and Maintenance of

Roads and Bridges (SOP-03), Construction and Maintenance of Ditches (SOP-04), Soil and Water Conservation (SOP-05), Planting Nuts (SOP-06), Planting Palm Oil (SOP-07).

- BGAAGRKS-SOP-01 Volume 2: Weed Control (BGAAGRKS-SOP-08), Fertilization (BGAAGRKS-SOP-09), Pest and Disease Control (BGAAGRKS-SOP-10).
- BGAAGRKS-SOP-I Volume 3: Castration and Canopy Management (BGAAGRKS-SOP-11), Staple Census and Production (SOP-12), Harvest (SOP-13), Pesticide Management (SOP-14), Transport Management (SOP -15), Marginal Land Management (SOP-16), Rejuvenation (SOP-17).

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

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

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

3.3.2

The CH has a mechanism to check the implementation of procedures on a consistent basis. This is contained in Internal Audit SOP No. KMB-SUST-SOP-35. The procedure explains that the scope of supervision carried out by Internal Audit includes RSPO audits – SCCS, RSP, ISPO, ISO 9001, ISO 14001, OHSAS 18001 at the PT KMB operating unit. Implementation of each of these audits at least once a year or carried out based on the status of the interests of the area to be audited. The results of the internal audit will then be discussed in the management review meeting according to the procedures for the Management Review Meeting. The company also has a Quality Assurance division, whose job is to carry out monthly checks on the quality of operational work both at the Mill and at the Estates.

3.3.3

The CH has kept records of monitoring and follow-up implementation of procedures in every aspect of operational work. For example, the PT KMB Internal Audit Report has been displayed in the Internal Audit Results Report document, both PnC and SCCS, which was carried out on 15 – 20 May 2023 for the 2023 audit period.

The results of field observations at GMKE, BDME, and SMNE, including harvest and spray work, show that workers have carried out work according to existing procedures. Observation results in factories such as at the sorting station also show that workers have carried out work in accordance with existing procedures. The results of field observations of contractor performance have been discussed in indicator 2.1.2.

Status: Comply

3.4

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

3.4.1

There are no new planting.

The certification unit has several documents related to social and environmental impact assessments which are carried out independently and in a participatory manner, involving affected stakeholders. The document covers the pre-construction activities, the operation stage and the post-operation stage. Some of the documents held by the certification unit include:

- Social Environment Impact Assessment (AMDAL) was approved by AMDAL Commission of Kotawaringin Timur District No. 23/Komisi-Kotim/VIII/2002 dated on August 9, 2002 for the scope of an area of 17.500 Ha and a Palm Oil Mill with Capacity of 40 Ton FFB/hour
- Decree of the Kotawaringin Timur Regent No: 188.45/293/Huk-BLH/2013 dated 30 May 2013 about Environmental Permits for Construction of the Gunung Makmur Mill with Capacity of 90 Tons of FFB/Hour.

- Decree of the Kotawaringin Timur Regent No: 188.45/299/Huk-BLH/2013 dated 26 June 2013 about Environmental Permits for the Construction of the Bukit Makmur Mill with Capacity of 90 Tons of FFB/Hour

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

AMDAL 2002 (PT KMB)	UKL-UPL 2013 (Gunung Makmur Mill)
<ul style="list-style-type: none"> • Soil erosion • Surface water quality and aqua biota • Air Quality • The Fauna diversity • Public health • Socio-economic culture 	<ul style="list-style-type: none"> • Negative perception • Increased employment opportunities and community income • Work accident • Noise due to Mill operations • Air quality due to generators and boilers • Wastewater quality • Surface water quality • Solid waste • Clean water quality from the WTP process • Hazardous Waste and Domestic Waste • Soil quality • Monitor well water quality and surface water quality.

The company has also conducted a Update social Impact Assessment (SIA) for Palm Oil Plantations and Mills within the scope of PT. Karya Makmur Bahagia and carried out by Lingkar Komunitas Sawit (LINKS) that start in December 2018 and finish in June 2020. the scope of the SIA study is not carried out per unit but the company's overall scope. The methodology used is a qualitative approach and primary and secondary data collection, with the coverage of 20 village the study areas.

The number of external respondents who took part in the activity was 167 participants consisting of village officials, community leaders, managers of oil palm cooperatives, farmers, trade unions, employees and residents of employee cottages. Internal respondents were 145 participants include management, staff and employees. The SIA review includes:

External

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

Internal

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

3.4.2

The implementation of environmental management has been carried out in accordance with all RKL-RPL documents and Environmental Permits owned by the company. The certification unit makes a report on the implementation of the RKL-RPL because the scope of certification for the Gunung Makmur Mill has a UKL-UPL matrix. Environmental management reports are carried out every 6 months and submitted to the relevant agencies, namely the Environmental Service of

Kotawaringin Timur Regency.

The company has documents:

1. Minutes of the refresh training event for preparing RKL – RPL implementation reports for PT Karya Makmur Bahagia which was held on September 16, 2022.
2. An addendum to the report on the implementation of the environmental management plan and environmental monitoring plan of PT Karya Makmur Bahagia for semester 1 of 2022 can be shown which includes all the parameters that must be implemented.
3. Receipt of Addendum to the RKL – RPL implementation report for Semester 1 of 2022 addressed to the Kotawaringin Timur Regency Environmental Service on November 15, 2022.

Meanwhile, the social impact monitoring and management plan has been managed and monitored through the SIA Management and Monitoring Plan for 2021 and 2022 based on the results of the 2018 SIA study. Identification of the needs of the surrounding community is carried out by attending the Village Level Deliberation. The results of the identification of social aspects include social, economic, environmental, land ownership, socio-cultural aspects, employment, stakeholder aspects, aspects of general conditions and characteristics of the surrounding community such as geographical conditions around plantations, general conditions of the village. environment (health level, population, education, health, economy, agriculture). All aspects have been identified. The document also describes in detail the conditions and characteristics of the community, strategic issues, employment issues and stakeholder relations, company impacts, social impact management, conclusions and recommendations. Participatory recording in the form of attendance lists shows that the SIA study has involved the surrounding community. The SIA management plan is submitted to each unit with a clear PIC and timeline and is made annually. Each unit has monitoring indicators, monitoring methods, PIC, and frequency of activities set out in their framework. In addition to these programs, the company also provides budget/cost estimates for the implementation of each of these programs. These programs are structured according to the identification of the needs of the surrounding community.

3.4.3

Based on the verification results of the RKL-RPL implementation report for semester 2 of 2022, The implementation of environmental management and monitoring is carried out in accordance with the direction of the RKL-RPL as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis, which can also be seen from the suitability between the management and monitoring plans and their implementation in the field.

The Company has evidence of regular reports to the authorized agencies as follows:

- PT KMB RKL & RPL Implementation Report (exclude: BMKM) Semester II 2022
- UKL-UPL BMKM

The impact identified in SIA has been managed and monitored through SIA Management and Monitoring Plan for PT KMB. The plan describes monitoring indicator, monitoring method, PIC and frequency. The compiled based on the results of reviews of management plan on 23 February 2023, which conducted in a participatory manner. The SIA Management and Monitoring implementation on 2022 has been evaluated and updated, document namely “public consultation of social management plan”.

Regarding the social management and monitoring plan owned by the company, the company has carried out a review that is carried out every two years and monitoring every year. The company carried out a review of impact management for the period 2022 - 2023 in which the process was participatory by involving relevant stakeholders.

Based on the results of the study of the document, the company distributes mapping of external stakeholders by paying attention to women, migrants, local residents, youth leaders, contractors and for internal stakeholders by taking into account the wider representation of workers such as local workers, layoffs of employees, migrants, land compensation, women and new workers.

The companies have been developing a comprehensive social management and monitoring plan by integrating between sections/departments covering all impacts and representative samples of the parties established.

	Status:	
3.5 A system for managing human resources is in place.		
<p>3.5.1</p> <p>The certification unit already has Company Regulations that have been ratified by the relevant manpower office based on the decree of the head of the manpower office No. KEP. 4/HL.00.00/00.0000.210714006/B/VII/2021 dated 27 July 2021. The Company Regulation regulates the terms and conditions of employee employment, including the regulation of recruitment requirements, working hours, wages, social security, leave, termination of employment, work rules and discipline, rules for the process dispute resolution, and other provisions.</p> <p>In addition, the company has other SOPs related to employment, namely:</p> <ul style="list-style-type: none"> • Recruitment procedure No BGA-SOP-HC-304.1-R0 approved by the Director on 23 March 2011 • Internal memo from the HC Group Department Head regarding guidelines for the recruitment of non-plantation staff workers No. 018/IOM-A/BGA-HC/IV/19 on 15 May 2019 • Internal Memo from BCU Department Head regarding promotion of internal employees No. 001/MEMO-BGA/HC-BCU/1/2023 on 5 January 2023 • Employee Promotion SOP No. BGA-SOP-HC-307.1-R1 approved by COO on 23 January 2021 • Internal Memo from HCGDH regarding Annual Leave, Absenteeism and Personal Permits for Monthly Permanent Employees and Daily Permanent Employees No. 061/IOM/ED-BGA/II/2019 on 8 February 2019. <p>Based on the description above, it shows that the company has procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment documented and available to workers and their representatives in accordance with applicable laws and regulations.</p> <p>3.5.2</p> <p>The company documents employment procedures such as recruitment, promotion, performance appraisal, and others. For example, there are the following employment documents:</p> <ul style="list-style-type: none"> • Job application letter with the initials SO to the Management of PT KMB. • Work Agreement Letter No. 003/KMB/SPK-PKWTT/II/2023 dated 1 February 2023 on Permanent Employee as Regional Warehouse Administration. The work agreement letter states several things, including the basic wage of Rp. 3,265,859.89 (according to the Minimum wage of Kotawaringin Timur Regency). • Permanent Employee Appointment Letter No. 0002/HR-KMB/SK/II/2023 on 1 February 2023 against the employee with the initial SO. <p>The company also shows documentation of job vacancies that have been distributed to village governments around the company.</p> <p>In the pamphlet there is information on opportunities to work as harvesters without recruitment fees (free), worker requirements, public facilities (Social assurance, houses of worship, day care centres, playgrounds, polyclinics and other facilities), wages according to the minimum wage of Kotawaringin Timur Regency, premium base according to with conditions in the field, residential furniture, work facilities and contact persons who can be contacted by prospective workers.</p> <p>In addition, there is a promotion decree for the monthly employee with the initials SR to become a division 1 foreman at GMKE on June 1, 2023 with a basic salary of 3,395,860 (previously Rp. 3,265,860). The employee promotion decree is in accordance with the results of promotion verification in Memo 017/MEMO-BGA/HC/05/2023 regarding the proposed results of non-staff promotions in 2023.</p> <p>Based on the explanation above, it proves that the unit of certification has implemented employment procedures properly and documented for each employee</p>		
	Status:	
3.6 An Occupational Health and Safety (H&S) plan is documented, effectively communicated and implemented.		

3.6.1**Hazard Identification Risk Assessment and Control**

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

OHS Program

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

The realization of the OHS plan.

- **Medical check-up:**
There are results of PT KMB cholinesterase examination of 715 Mentaya Region workers, including GMKE, SMNE and BDME workers. The MCU was carried out on May 2023. The examination results released by the Laboratory stated that all workers who took part in the health examination had normal results and were fit to work. Inspections of all workers, both plantation workers and POM, have been carried out as follows:
 - GMKM employees will be held on June 13, 2023.
 - GMKE employees will be implemented on 02 June 2023.
 - SMNE employees will be held on 12 - 14 June 2023.
 - BDME employees will be held from 07 – 10 June 2023.
- **OHS aspect inspection:**
This includes vibration checks at GMKM on May 5, 2023, to June 5, 2023, with results below the threshold. Noise inspection at GMKM on 05 May 2023 to 05 June 2023, with results above the threshold for the engine room, kernel, boiler, and sterilizer stations. Periodic inspection of completeness of PPE, periodic inspection of fire extinguishers, first aid kits including first aid bags. There are daily, weekly and monthly checks. The responsible official is the secretary of the OHS Committee.
- **OHS Training and Socialization:**
Routine briefings are held every morning. Themes discussed include the obligation to use PPE, safe working methods, handling work accidents, basic first aid training and socialization about the Covid-19 pandemic.
- **Work accident monitoring:**
During the period January – May 2023 in the PT KMB area there were several work accidents which resulted in the loss of working days. Work accidents that occur, such as being hit by an egret, slipping, and falling from a motorbike, have been resolved using existing first aid equipment. Work accidents are routinely reported to the relevant agencies.

3.6.2

PT KMB shows records of the implementation of management reviews to carry out periodic evaluations. The recording of the Minutes of the Results of the RSPO – SCCS and ISPO PT KMB Management Review Meeting which was held on 09 June 2023 has been shown. In the Minutes of the Management Review Meeting, the results of the Management Review Meeting have discussed, among other things, the achievements of the follow-up to the previous management review, the results of internal audits, claims from buyers, complaints from stakeholders, process performance, status Corrective and preventive actions, improvement recommendations.

The CH also has an OHS Committee in each unit which is responsible for implementing OHS aspects. One of the OHS Committee's activities is to conduct monthly evaluations of the implementation of the OHS program. For example, at the

meeting on April 8, 2023, at GMKM which was attended by staff and foremen. Discussed, among other things, OHS process aspects, leak prevention, and 5R aspects.

Chemical Management

The results of the document review revealed:

- The company has several OHS plans, one of which is listed in the SOP CCS (Corporate Communication and Sustainability) with code BGA-SOP-KMB 15-R0 approved by GMP (General Manager Plantation) and Area Controller regarding Procedures for Handling & Preventing Hazardous Waste Materials Spills revision 0 date April 15 2012, regulates, among other things, the control and handling of B3 spills/leaks so that they do not pollute the environment.
- SOP for Management of Chemicals with code KMB-SUST-SOP-13 Revision 02 approved on 09 April 2022 regulates:
 - Designate areas for storing chemicals.
 - MSDS in Indonesian
 - Installation of symbol Hazardous Waste Materials.
 - Must use PPE, at least a mask, rubber gloves, glasses and an apron.
 - Chemical storage areas are identified by signs indicating restrictions and potential dangers; have adequate ventilation; has a watertight floor, is not slippery, has no cracks, and forms a bermed retention area; designed to retain 110% of the largest container / 50% of inventory (depending on which is largest); and equipped with an MSDS which is placed adjacent to the material.
 - Storage conditions, if there is B3 that is not used up in one use, it must be isolated independently: only a small inventory in the process area.
 - Hazardous Waste Materials storage must use pallets/must not be directly exposed to the floor.
 - Spill containment and spill absorbent facilities must be provided.

The results of field observations are known

- GMKM:
 - WTP: no MSDS for Soda Ash and Aluminium Sulphate; there are no gloves.
 - B3 Warehouse: Nalco's MSDS is in English; there is no MSDS of Soda Ash and Aluminium sulphate, there is no pallet.
 - Oil Warehouse: there is no SAE 10 W Oil MSDS.
- BDME:
 - B3 Warehouse (BGS) Division 1 (storage of material requirements for 1 week): no warning about PPE that must be used, insufficient lighting, insufficient ventilation, storage mixed with chainsaw machines, MSDS Metaprima uses English, there is no MSDS primaguard, diesel, and weed solution.
 - BGS (Bumitama Ground System Management): there are items that are not B3 such as a pile of 15 bags of cement, more than 28 rolls of electrical cables, and 20 electrical installation hoses.
 - Division 1 generator house: there is no PPE warning that must be worn, there is a diesel tank with a capacity of 200 liters which is not equipped with spill containment facilities.
- SMNE
 - Results of field observations at warehouse B3 and Temporary storage hazardous and toxic waste, the shower emergency response facilities were not turned on.

The company showed evidence of improvements at BDME in the form of installing PPE warnings in the generator house, as well as showing a layout plan for repairs to the B3 warehouse. However, these improvements have not yet identified the root of the problem and corrective action so that this incident does not happen again.

Evaluation of Hazard Identification and Risk Assessment

- The company has several OHS plans, one of which is listed in the CCS SOP for Hazard Identification and Risk Assessment with code BGA-SOP-KMB 12 - R0 which was approved by GMP on 17 April 2012. It has been regulated that the review of hazard identification and risk assessment is at least 1 time a year.
- The company showed the HIRAC Estate Operation Area 2 evaluation document which was carried out in April 2023, which showed that there was discussion about slashers, but in HIRAC Estate in 2023 there was no discussion about slasher activities.
- As a result of field observations at BDME, it is known that there are owl and slasher cages where hazard and risk

analysis has not been identified.

- The results of the document review also show that there is no identification of hazard and risk analysis which is not limited to HCV monitoring activities, HGU monitoring, HPT census, owl monitoring, waste disposal at Landfill, and fire tower monitoring.

Based on the observed evidence it is known that:

- The company has not been able to show evidence of implementation and monitoring of OHS plans to handle OHS risks to people in accordance with existing SOPs, especially in the management of chemicals.
- The company has not been able to show evidence of monitoring and evaluating the effectiveness of its OHS plan to handle OHS risks to people, especially in identifying hazard analysis and risk mitigation. This becomes the Nonconformity 2023.02.

3.6.2 Status: NCR 2023.02 with major category

3.7

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

3.7.1

Boiler Operator

- Permenaker No. 01 of 1988, in Appendix 1 it is explained that for a boiler capacity of >10 T/h - <20 T/h requires 1 class I operator for each shift.
- GMKM field observations show that the company has a boiler with a capacity of 20 tons/hour. It is known that the Boiler Operator works 2 shifts. The results of the interviews and document review found that each shift consisted of 3 workers, so there were total of 6 workers. From the results of interviews and document review it is known that only 1 worker has attended class 1 OHS Boiler Operator certification training on 29 August - 03 September 2023 with the initials Mkl and has been declared passed and is waiting for the process of issuing certificates and licenses from the Ministry. The results of interviews with the PIC found that there were other participants from GMKM with the initials Shd, but those concerned were not workers at the Boiler station.

Engine Room Operators

Permenaker No. 38 of 2016 in Articles 110, 111 and Table E it is explained that for prime movers with power > 214.47 HP, one person must have class I and class II power and production aircraft operators each.

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- The results of GMK POM field observations revealed that the company had 1,500 KW/2,011 HP and 1,100 KW/1,475 HP turbine engines. It is known that the Engine Room Operator works 3 shifts.
- Document review results and interviews with workers and company representatives, it is known that there are 3 workers in the engine room for 3 shifts, with the initials Ed, SR, and Rb. It has shown SIO PTP Steam Turbine Operator Class 1 with the initials SR which is still active until February 4, 2028. Meanwhile for Ed and Rb PTP licenses/programs have not been shown.

Based on this evidence, it is known that the company has not been able to show sufficient evidence of the availability of programs and their implementation for workers, such as:

1. Steam Aircraft Operators in accordance with Permenaker No. 01 of 1988.
2. Aircraft Power and Production Aircraft Operators in accordance with Permenaker No. 38 of 2016. NC 2023.03 with Major Category

3.7.2

The company has a training program in 2023, including training on basic OHS, risk management (HIRAC), identification of potential hazards, OHS and environmental inspections, use of PPE, training for first aid officers, OHS Committee and work accident reports, HCV training, environmental monitoring matrices and programs management of the environment. The company has records of the realization of the training program which will be carried out in stages in 2022-2023 at GMKE, BDME, SMNE, and GMKM. The training includes:

- Training on management of hazardous and toxic materials and hazardous and toxic waste at SMNE on 24 May 2023 which was attended by 10 Estate Employees

- First aid training for SMNE Daycare supervisors and employees on May 31, 2023, which was attended by 5 employees consisting of the Maintenance Foreman, Fertilizer Foreman, Harvest Foreman and Transport Foreman
- Fire emergency response training using APAR on 4 April 2023 at SMNE which was attended by 19 employees consisting of divisional assistants, foremen and maintenance employees.
- OHS Training and Use of PPE for chemist operators in Division 1 SMNE on March 8, 2023, which was attended by 9 employees consisting of spray employees and spray foremen
- Real fire emergency response team training at SMNE on 4 April 2023 12 employees.
- Socialization of HIRAC, MSDS, HCV area and PPE to SMNE employees on 13 February 2023 attended by 17 employees consisting of spray employees and spray foremen
- The socialization of OHS, PPE and HIRAC policies for KMB Division 1 employees on March 6, 2023, was attended by 51 people consisting of harvest foremen, harvesters, loose fruit pickers, maintenance employees, Daycare.
- Socialization of HCV areas on April 11, 2023, at GMKE Division 3 was attended by 11 people consisting of foremen and spray employees, namely HCV explanation, HCV management, technological approach, inventory and identification of land cover conditions, river border area markings, protection of flora and fauna and planting in HCV areas.
- Socialization of HIRAC, PPE, MSDS Employees of Division 1 GMKE on 14 December 2022 attended by 32 employees consisting of harvesters, foremen, and foremen.
- The June 2023 fire and emergency response simulation was attended by 10 people to ensure the preparedness of the emergency response team. GMKE team followed up on the karhutla countermeasures training so that they are always ready and alert.

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

3.7.3

The training program period of 2023 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2023 was conducted on 21 March 2023. The training was subjected to RSPO SCC System. Training attended by relevant personnel in mill and estate. The personnel's who involved training from mill are production clerk, weighbridge clerk, security, assistant, and other relevant staff, furthermore the participants from estate are harvesting supervisor, field assistant, head of administration, transportation clerk, harvesting clerk, production clerk and other staff.

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

Major
3.7.1

Status: Nonconformance No. 2023.03 with Major category

3.8

Supply Chain Requirements for Mills

3.8.1 & 3.8.2

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

3.8.3

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

Products	Last Year Projected Certified Volume (MT)	Actual (June 2022 – May 2023) MT	Estimate Production of 12 month (MT) further
FFB Certified (MT)	100,000	73,584.25	75,500
CSPO (MT)	22,000	20,347.89	16,610
CSPK (MT)	5,000	3,858.74	3,398

Based on the table above, there is no overproduction of CPO and PK produced by the Company.

3.8.4

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

- Member Name: PT Karya Makmur Bahagia - Bumitama
- License ID: CB141991
- Core Product: Palm Oil
- Member ID: RSPO_PO1000001684
- RSPO Membership Number: 1-0043-07-000-00 (BUMITAMA AGRI LTD)
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

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

3.8.5

The Mill has had procedures related supply chain, such as SOP of RSPO Supply Chain (No. BGA-SUST-SOP-43-R1). These procedures have referred to the latest RSPO Supply Chain System. The procedure has covered all aspects in SCCS MB model, such as receiving and recording that identify the traceability of RSPO certified and uncertified source and products, FFB processing, the announcement in RSPO Palm trace, key persons such as security, weight bridge clerk, dispatch/kernel officer, production clerk, Administration Head, as well as the training.

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

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

3.8.6

The procedure to conduct supply chain internal audit already set in the SOP of supply chain. In the SOP mentioned that internal audit will be conducted annually. Internal audit of RSPO supply chain conducted simultaneously with P&C audit on 15-20 May 2023. All of supply chain standard and rules on market communication and claim has been assessed, and the CARs have been complied.

Management Review of RSPO SCCS implementation conducted on 09 June 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, customer feedback, process Performa and product compliance, follow up of previous management review, and recommendation for improvement.

3.8.7

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

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
June-22	7,454.00	34,380.86	41,834.86
July-22	7,166.32	30,109.90	37,276.22
August-22	9,489.19	29,782.21	39,271.40
September-22	7,846.42	29,266.26	37,112.68
October-22	7,308.29	23,868.37	31,176.66
November-22	8,187.82	21,583.08	29,770.89
December-22	6,395.47	22,102.69	28,498.16
Janusry-23	3,856.41	25,140.67	28,997.08
February-23	2,782.02	22,300.84	25,082.86
March-23	3,858.10	24,297.61	28,155.71
April-23	3,840.78	24,413.86	28,254.64
May-23	5,399.45	36,206.42	41,605.86
Total	73,584.25	323,452.77	397,037.02

Estimated certified product recorded in the last assessment report. Actual certified produced has been verified during this assessment. The data are shown in the following table:

Products	Last Year Projected Certified Volume (MT)	Actual (June 2022 – May 2023) MT
FFB Certified (MT)	100,000	73,584.25
CSPO (MT)	22,000	20,347.89
CSPK (MT)	5,000	3,858.74

Based on the table above, there is no overproduction of CPO and PK produced by the Company.

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

3.8.8

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since December 2022 until May 2023 it was known CSPK sold there are 1,100 MT CSPK sold as certified products.

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, for example selling document for shipping announcement with transaction id TR-247d2927-403c for CSPK model MB in 16 February 2023 with the buyer are PT Sinar Alam Permai, the unit can present several document as follows:

- The name and address of the buyer (PT Sinar Alam Permai - Sampit);
- The name and address of the seller (PT Karya Makmur Bahagia– Gunung Makmur Mill in Kotawaringin Timur);
- The loading or shipment / delivery date during period 09 Januari 2023 as presented in the document weighbridge ticket and Consignment letter;

- Minutes of delivery of 150,000 kg of goods on 09 Januari 2023 with contract number 1140070925;
- A description of the product supply chain model (Mass Balance);
- The quantity of the products delivered (7,83 ton);
- Any related transport documentation (transport by CV Catur Borneo Abadi);
- RSPO certificate number (MUTU-RSPO/045);
- Etc.

3.8.9

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

- Agreement with CPO Transporter of PT Surya Mentaya Jaya No. 002/SPK/HO-CD/I/2023 dated 02 Januari 2023, valid until 31 December 2023.
- Agreement with PK Transporter of CV Catur Borneo Abadi No. 007/KMB/SPK/III/2023 dated 01 Maret 2023, valid until 01 April 2024.

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

3.8.10 & 3.8.11

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

- PT Surya Mentaya Jaya → Transporter CPO
- CV Catur Borneo Abadi → Transporter PK

3.8.12

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

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

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

CSPO

Month	CPO Production (ton)		Total
	Certified	Non-Certified	
June 2022 – May 2023	16,028.14	70,590.11	86,618.25

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme	Conventional	
June 2022 – May 2023	0	-	15,869.19	15,869.19

CSPK

Month	PK (ton)		Total
	Certified	Non-Certified	
June 2022 – May 2023	3,489.61	15,198.93	18,688.54

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Conventional	
June 2022 – May 2023	2,830.73	-	591.04	3,421.77

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

3.8.13 & 3.8.14

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production. The extraction rate follows the actual data for a 12-month period from June 2022 until May 2023, i.e., OER 21.81% and KER 4.71%. Periodically updated extraction is actual extraction

3.8.15

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

3.8.16

RSPO IT Platform member registration number for PT Karya Makmur Bahagia-Bumitama is RSPO_PO1000000395. The Mill carry out shipping announcement in the RSPO IT platform when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch. For example, Certified PK sold to PT Sinar Alam Permai dated 08 March 2023 for 499.74 MT and transaction creates in IT Palm Trace dated 18 April 2023.

The unit of certification can present removing allocated product from palm trace, based on documents and verification through RSPO IT Platform, as presented table below Dated 22 June 2023 for 3,800 MT CSPO (transaction ID: ST-TR-c216ad89-6600).

3.8.17

The company has made claim of RSPO certified product in the off product such as WB ticket, salescontract, and delivery order and its has been meet with RSPO marketing and communication.

	Status: Comply	
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PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS
4.1

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

4.1.1

The company has a policy to respect human rights which was approved by RH on 4 November 2020, as follows:

- The company respects the rights of local communities and other local communities in the development of land where they have legal, communal or customary rights. Using a free, non-coercive and prior informed consent (FPIC) approach, the company identifies local community ownership and use rights through participatory social impact assessments and engaging in fair and informed negotiations prior to implementation of access rights to land and other natural resources
- Companies will responsibility to respect human rights by implementing relevant articles of the UN guiding principles on human rights and business such as providing same employment opportunities regardless of race, religion, degree, ethnicity, gender, skin colors, disability , sexual orientation, political affiliation, protecting female workers from sexual harassment, violence, and rights related to female reproduction, respecting and appreciating the right of every worker to form or become a member of a trade union, not employing children under 18 years old, no workers forced labor or labor from human trafficking. The company and its suppliers/sub-contractors must ensure that all workers are paid a minimum wage equal to the applicable minimum wage. The company is committed to ethical hiring and providing a healthy and safe work environment for all employees, contractors and visitors
- The company tries to resolve conflicts and grievances with all parties amicably, openly and constructively through whistle-blowing procedures in addition to the RSPO complaint mechanism. Significant non-compliance with this policy will be monitored and reported to the company's management (board).
- This policy statement applies to all levels of PT KMB's employees and operations, and in the event of discrepancies between legal provisions and this policy statement, the company will endeavour to apply the most stringent standards, as stipulated in the UN guiding principles on human rights and business without violating domestic laws

The company has conducted socialization regarding human rights, including:

- Socialization of the application of labor and human rights policies to BDME employees on April 17, 2023 attended by 20 BDME employees
- Socialization of the implementation of labor and human rights policies to BDME employees on 16 November 2022 attended by 27 BDME Harvester Division 1 employees
- Socialization of policies on responsibility towards workers, socialization of the code of conduct, socialization of un-corruption, human rights policies, freedom of association and OHS policies to SMNE employees on 17 May 2023 attended by 16 employees
- Socialization of employment and human rights policies to GMKM employees on 18 July 2023 which was attended by 58 employees consisting of assistants, operators, helpers, EHS officers, composting employees, grading employees and office admins.

Based on the description above, it shows that the company already has a policy to respect human rights, including prevention of reprisals against human rights defenders, as well as prohibition of intimidation and violence perpetrated by certification units and contracted services, including contracted security services and has been communicated to all levels. workforce, operations, and supply chain.

4.1.2

The Unit of certification has a policy to avoid violence to maintain peace and order in current operations and it is explained in the Employment and Human Rights Policy, issued on November 4, 2020, that the Company seeks to resolve conflicts and complaints with all parties in a peaceful, open and constructive manner through procedures for handling complaints and complaints (whistleblowing) in addition to the RSPO complaint mechanism. Significant non-compliance with this policy will be monitored and reported to the company's management (board).

Based on Interview with Head of Tumbang Sepayung Village and Gunung Makmur Village, it is known that there was no intimidation or use of them in maintaining peace and order in the company area. Until the audit was carried out, there were no land conflicts and disputes within the PT KMB area. This is also in accordance with the results of interviews with the surrounding community and the related BPN during the public consultation which stated that there were no land conflicts in the company's operational areas.

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

Procedure of complaint and grievance delivery was presented in document No. KMB-SUST-SOP-10. The procedure has guaranteed the anonymously and whistle-blower. Procedure is available in Bahasa Indonesia and if there are any complaints/ grievances that the resolution that has not found mutually, the complainants can bring that compliance to RSPO Complaints System.

Apart from that the company already has SOP HC No. BGA-SOP-HC-311.1-R0 was ratified by Director of BGA on 20 April 2012. The SOP explains that when submitting complaints, employees must go through a predetermined mechanism. Every complaint starts from the immediate superior and continues to a higher level.

Complaints and grievances were recorded on the Logbook. Confirmed to sample stakeholders during the public consultation with village communities, government agencies, local contractors and FFB suppliers who stated that the SOP was understood by all parties. All complaints conveyed to the mill and estates have been recorded and followed up by the company in accordance with the SOP.

Based on interviews with representatives of Rantau Tampang Village, the Land Agency, Kotawaringin Timur and management representatives that there are no land disputes in the company's operational area. In addition, there are no anonymous reports regarding requests for land dispute resolution.

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

4.2.2

The certification unit has established a system for handling complaints and complaints for all affected parties which is documented in the Grievance Handling and Complaints Procedure with document number KMB-SUST-SOP-10. There are additional provisions regarding the implementation of communication and consultation procedures to stakeholders, where the socialization of this procedure is carried out by displaying the procedure in writing or by showing pictures so that it can be understood by stakeholders who cannot read and write. The procedure states that all complaints must be registered in the Complaint Form in clear and easy to understand language. All complaint forms will be collected and registered monthly into the Grievance Register Book. Certification unit will respond to each complaint within 14 days from the date the complaint request was received.

The SOP for submitting complaints has been socialized to BKMM, BKME, BDME and SMNE employees. For example, the Socialization of the SOP for a special complaint mechanism for BDME employees which was carried out on January 24, 2023, was attended by 24 people, that a complaint is a submission of employee dissatisfaction with an action or certain condition that can disrupt comfort, calm and security in carrying out employee duties and responsibilities. In addition, there is an official report on the dissemination of complaint SOPs and Communication SOPs at BMKM on 23 February 2023 which was attended by 29 people consisting of process employees, composting employees, laboratory employees, and maintenance employees.

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

4.2.3

Based on verification document of internal and external stakeholders, there is no complaint for 2022-2023. The same information was also obtained based on interviews with local community who explained that there had been no complaints during the last year.

4.2.4

The company has a conflict resolution mechanism including the option of obtaining legal and technical assistance from an independent party, as described in the complaint handling and conflict resolution procedure under document number KMB-SUST-SOP-10. It is explained in the procedure that external and internal complaints can be managed by the

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

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

The company has SOPs regarding complaint resolution. Based on the results of interviews with internal and external stakeholders, it is known that there were no conflicts involving legal assistance or other independent parties.

Based on the description above, it shows that the company already has a conflict resolution mechanism including options to obtain legal and technical assistance from independent parties.

Status: Comply

4.3

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

The results of interviews with management, conveyed that the CSR program was prepared based on the participation of the surrounding community in the form of Development Planning Conference "MUSREMBANG" period 2023 located on sub-district office. The company shows examples of Development Planning Conference on 2 January 2023 in Gunung Makmur Village, 7 February 2023 in Waringin Agung Village.

The 2023 CSR program includes:

- Processed food products (chips)
- Organic broilers
- Fisheries
- Laying hens

Base on interview results with representative of nearest community, it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.

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 company has legal ownership rights in the form of:

- Cultivation Rights Certificate No.19 issued by the Land Office of Kotawaringin Timur Regency, Central Kalimantan Province on 22 October 2001 for land located in Antang Kalang District covering an area of 15,056.31 Ha with a validity period until 22 October 2036.
- Building Use Rights (HGB) No.1 of 2005 issued by the Land Office of Kotawaringin Timur Regency, Central Kalimantan Province dated January 18, 2005, for land located in Rantau Tampang Village, Antang Kalang District with an area of 439,329 M2.

Based on explanation above the total land permits that owned by PT KMB are 15,100.24 Ha, however the scope of certifications under Gunung Makmur Mill Are 8,388.90 Ha and the rest of permits area (6,711.34 ha) under scope of Bukit Makmur Mill.

Note: there is a reduction in the certification scope of 144.67 Ha from the previous assessment for the Gunung Makmur Mill scope. This is due to changes in the area statement where the 144.67 Ha area is included in the scope of Bukit Makmur Mill and these changes are in accordance with the minutes of changes to the area statement which have been approved by the Regional Head.

4.4.2

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

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

Based on the results of interviews with previous land owners, the Head of Tumbang Sepayung Village, the Head of Sungai Hanya Village, the Head of Gunung Makmur Village and the Head of Tumbang Bolo, it is known that all compensation processes have been held with fairly transparent regarding to mutual agreements. Whole areas managed by the company have been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and other relevant parties. All land acquisition between local people and company representatives conducted as mutual agreement and with language that is understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Based on the results of interviews with parties who have received compensation for land compensation from PT KMB obtained information if the process of land acquisition was done through the following stages; identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

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

4.4.3

Linked to appropriate scale maps showing legal, customary or user rights through participatory mapping and copies of negotiated agreements detailing the FPIC process are not applicable. This is because PT KMB is a plantation company that has been established since 1995 and has no longer been registered since the decision was made.

Based on document verification such as the 2018 Social Impact Study and HCV Identification Report, it is known that there is no land controlled by customary rights in the PT KMB area. The previous land status was community land that had been acquired and compensated.

4.4.4

Based on document Identification of HCV and stakeholder consultation, there was not found customary/indigenous rights in operational area. There were the records of the process of collecting information on the preparation of the High Conservation Values Identification Report and the Social Impact Assessment Report. The recording evidence comprising

of participants list and photographs. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages.

4.4.5

Based on the results of interviews with parties who had received land compensation from PT KMB, information was obtained that they had received compensation for the land they claimed and all files for the settlement process were also kept by the person concerned. All land claim settlement processes, from identification, negotiation to compensation, are carried out through agreement between the parties without any coercion or pressure from other parties. Based on the results of interviews with previous land owners, the Head of Tumbang Sepayung Village, the Head of Sungai Hanya Village, the Head of Gunung Makmur Village and the Head of Tumbang Boloi, it is known that the company has resolved the land case through a mediation approach and there is no indication of the use of violence. Apart from that, the company has resolved land cases through a mediation approach and there is no indication of the use of violence.

4.4.6

Based on the results of interviews with previous land owners, the Head of Tumbang Sepayung Village, the Head of Sungai Hanya Village, the Head of Gunung Makmur Village and the Head of Tumbang Boloi, it is known that the company has had a positive impact such as employee recruitment and CSR assistance. There are no land conflicts between the community and the company, apart from that the company regularly holds meetings with community representatives and absorbs community aspirations which are implemented in company policies such as CSR or other assistance. Communication with the public is no problem, every request for information is always responded to by the company.

Status: Comply

4.5

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

4.5.1 - 4.5.8

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

Status: Comply

4.6

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

4.6.1 & 4.6.2

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

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

4.6.3 & 4.6.4

The CH has shown that land acquisition has been done through negotiation. Based on the results of interviews with the Previous landowners obtained information if I compensation process has been held with transparency regarding the

mutual agreement. The whole area managed by the company has been compensated. Based on interview with previous land owners as well as village head obtained information during land compensation has been pay attention regarding equal opportunities were provided to both men and woman. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. All land acquisition between local people and company representatives conducted as mutual agreement and with Bahasa that understood by all parties involved. All relevant information regarding land acquisition is available in appropriate forms and languages.

Based on the results of interviews with parties who have received compensation for land compensation from PT KMB obtained information if the process of land acquisition was done through the following stages; identification of land owners/cultivators, negotiation of the compensation, and payment of compensation. The list below serves as the proof of records of voluntary land acquisition (FPIC – Free, Prior, and Informed Consent) at the early stage of the estate establishment. As evidence of the negotiation process and voluntary land acquisition agreement (FPIC) in the early stages of plantation development, a list of compensation recipients is available in all villages affected by the development of oil palm plantations, accompanied by the following documents:

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

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

	Status: Comply	
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4.7
Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.

4.7.1 – 4.7.3

The company has procedures to identify people and/or community groups who are entitled to compensation as stated in document No. BGA-SOP-GL-903.1-R0, approved by the CFO on June 5, 2013. This procedure explains how to identify people and/or community groups who are entitled to compensation. Based on the results of interviews with previous land owners, the Head of Tumbang Sepayung Village, the Head of Sungai Hanya Village, the Head of Gunung Makmur Village and the Head of Tumbang Boloi, it is known that they know the procedures through the socialization provided and they agree with the procedures and the compensation process is carried out directed at land owners and owners. land is given the freedom to release its land without coercion.

	Status: Comply	
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4.8
The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.

4.8.1 – 4.8.4

As a guidance to settlement land dispute the company has had Land Conflict Handling procedure no. BGA-SOP-GL-901.5-RO. This procedure is a reference in resolving cases of land conflicts between management units and other parties. The claim settlement process is carried out by involving various parties, including: former land owner/land acquirer, village

government, and other parties involved. land owners, witnesses, village government and sub-district governments.

Until this assessment, there were no open conflicts and land disputes within the Certification area. This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stating that there were no land conflicts in the company's operational area. The whole area that managed by the company has been compensated. However, based areal statement documents, interview with managements and stakeholder its known there is area covering ± 362.00 ha that occupied by community due to the landowner not willing to be compensated. For areas that are currently still controlled by the community (occupational area) and have never been compensated the company respects the existence and didn't force to give the land to the company. The area was clearly bounded by roads and ditches.

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

Based on the Mekar Jaya Cooperative agreement for the development of scheme smallholders that made between PT. KMB with cooperative, the determination of the purchase price of FFB from the scheme smallholders follows the determination of the price of FFB by the Provincial Government of Kalimantan Tengah. The determination is carried out every week by the Palm Oil FFB Purchase Determination Team in Kalimantan Tengah Province. For independent smallholder and third-party supplier following the company's internal pricing mechanism.

Based on interviews with Scheme smallholders and FFB suppliers the FFB prices every once a month. The price information is available for them to inform WhatsApp group media and FFB prices signboard on Mill or monthly meeting

5.1.2

Based on an interview with Mekar Jaya Cooperative is known by the that the price of FFB from kemitraan was in accordance with prices set by the Plantation Agency and in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. The Regular updating of FFB prices to cooperation via WhatsApp group and directly short message send to member. The CH explains the FFB Pricing to smallholders, such as regular minutes of meeting with smallholders.

5.1.3

Base on document verification on the agreement letter between the company and Harapan Abadi Cooperative has been known and signed by representatives of both parties and is known by the Regional Government. The results of interviews with cooperation members revealed that the price of FFB from Smallholders (Mekar Jaya Cooperative) was in accordance with prices set by the Plantation Agency and in accordance with the agreement of both parties and there are no complaints regarding the payment of FFB. From the results of the interview, it was also conveyed that every payment as well as in the activity / meeting for revenue sharing was always attached with a price list that issued by Plantation Agency.

5.1.4

The company has an agreement contract with cooperative and FFB Supplier Each contract document, signed by both parties as evidence that a work agreement has been agreed. Contract agreement documents are kept by both parties, which will be used as legal references. Base on document verification on the agreement letter between the company and Mekar Jaya Cooperative has been known and signed by representatives of both parties and one is a woman who is a member.

5.1.5

In developing community plantation, GMKM of PT KMB has cooperation with four cooperatives from surrounding plantation areas using KKPA or Cooperative Premier Credit Scheme. Time of cooperation was valid for 25 years, as stated on the following agreements:

- Agreement No. 01/KUD-L/III/2008 and No. 01/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Lestari in area covers about 1,000 ha.
- Agreement No. 02/KUD-WJ/III/2008 and No. 02/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Waringin Jaya in area covers about 1,000 ha.
- Agreement No. 03/KUD-MJA/III/2008 and No. 03/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Makarti Jaya in area covers about 1,000 ha.
- Agreement No. 04/KUD-MJ/III/2008 and No. 04/PKS-KMB/III/2008 dated 12 March 2008, with Cooperative of Tani Santoso in area covers about 2,033 ha.

Independent Smallholders

Agreement with independent smallholders of FFB suppliers has been made annually, for example in 2022 as shows in the following agreement:

- Agreement No. 026/SPKL/ GMKM/TBS/II/2022 dated 01 January 2022 with FFB supplier namely Yoyok Kuswoyo. Agreement valid until 31 December 2022.
- Agreement No. 018/SPKL/ GMKM/TBS/II/2022 dated 01 January 2022 with FFB supplier namely Rait. Agreement valid until 31 December 2022.

5.1.6

Has been verification the FFB Payment and Minutes of handing over the remaining money from the plasma plantation from PT KMB to the Mekar Jaya Cooperative for period January and March 2023. The minutes describes pricing and pricing periods, FFB amount, reduction/cost, and total paid. The payment was conducted within a month. the payment for period January and March 2023.

5.1.7

The company has tested the electronic weigh bridge which was carried out on February 15, 2023 by the Head of Department of Trade and Industry, Kotawaringin Timur Regency:

- Test Result Avery weigh-Tronix (WB-1) with a maximum capacity of 30,000 Kg.
- Test Result Avery weigh-Tronix (WB-2) with a maximum capacity of 40,000 Kg.

5.1.8

The company has carried out socialization related to RSPO certification to cooperatives / plasma farmers through annual meetings between the company and the community. The company shows the Minutes of the annual meeting on 6 December 2021 in Wonosari Village, Tanjung Harapan Village, Beringin Agung Village, Gunung Makmur village, Mulya Agung Village, Rantau Tampang Village and Bukit Makmur Village which was attended by the company, village government, community representatives and plasma farmers.

5.1.9

The Certification unit also has procedures for communication contained in the Communication SOP Number KMB-SUST-SOP-09) revision on 3 December 2019 and applies to all activities and fields of the Operations Unit of PT. KMB which includes internal or external communication related to HSE, Labor, Social, RSPO & ISPO matters. The scope of external communication includes the delivery of HSE, employment, social information to or from third parties, including the Government, business partners, contractors and suppliers, families of employees of PT. KMB, community, Non-Governmental Organizations, media, and others.

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

Unit of certification has delivered socialization on RSPO matters included improvement on livelihoods through taking part in RSPO certification to smallholders and indirect FFB suppliers since 28 August 2019, took place in the Village of Anggang Mulya and Telaga Antang. Socialization has also included subject on best management practices and safety aspect such as integrated pest management, land management, zero burning method, pesticide handling, etc.

As a support for independent smallholders to make their plantations RSPO certified, the unit of certification has facilitated farmers with some initial training such as the one that was held on 19-22 October 2019, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group / team which will be maximized in conducting internal audits as well as providing outreach / socialization related to the RSPO certification program.

5.2.2

As a support for independent smallholders to make their plantations RSPO certified, the unit of certification has facilitated farmers with some initial training such as the one that was held on 19-22 October 2019, training materials provided include: RSPO Certification System for independent smallholders, management and group dynamics, Internal Control System (ICS), functions and performance, internal audit system and documentation system. The result of this training is the formation of an ICS group / team which will be maximized in conducting internal audits as well as providing outreach / socialization related to the RSPO certification program.

5.2.3

To ensure traceability of FFB received, the unit of certification has conducting "traceability to plantation (TTP)" which aims to obtain several data through visiting FFB supplier areas owned by the independent smallholders, collectors (indirectly obtained) and plasma. Data collected are point of coordinates, then to checks and overlays the spatial layout to ensure the area is in the "APL area". When location of FFB sources is not overlapping with conservation or forest areas, the contract agreement of FFB supply could be continued. Based on this explanation, it could be concluded that unit of certification has make selection of FFB sources through checking on its status of land ownership.

5.2.4

Plasma of PT KMB is fully managed by the Company, in this case by SMNE. The recording of the socialization of chemist training at SMNE, March 8, 2023, has been shown. Based on a review of the socialization material documents, it was revealed that one of the materials provided was related to OHS aspects when carrying out spray activities, handling pesticides, and how to use them safely.

5.2.5

The unit of certification regularly review and publicly report on progress of the smallholder support programmed until 2022, based on partnership department review management report in 2022, for example for landowners (cooperative Marga Rahayu and Mekar Jaya) farmers.

	Status: Comply	
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PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

6.1

Any form of discrimination is prohibited.

6.1.1

The company has a policy to respect human rights which was ratified by RH on 4 November 2020, including the company will responsibility to respect human rights by implementing relevant articles of the UN guiding principles on human rights and business such as providing equal job opportunities without discriminating against race, religion, ethnicity, gender, skin colors, disability, sexual orientation, political affiliation, protecting women workers from sexual harassment, acts of violence, and rights related to women's reproduction, respecting and appreciating the rights of every worker to form or become union members, do not employ under 18 years old, no forced labor or workers from human trafficking. The company and its suppliers/sub-contractors must ensure that all workers are paid a minimum wage same to the applicable minimum wage. The company is committed to ethical hiring and providing a healthy and safe work environment for all employees, contractors and visitors.

At PT KMB no person may experience discrimination in employment, including recruitment, compensation, promotion, training, disciplinary action, termination of employment or retirement, on the basis of gender, race, religion, age, disability,

sexual orientation, gender identity, nationality, political opinion, social group, ethnic origin, reproductive rights or other forms of discrimination. PT KMB does not tolerate any form of harassment and abuse of authority including physical, sexual, psychological or verbal violence. Everyone must be treated with respect and dignity.

Based on interviews with trade unions, gender committees and employees at BMKM, BMKE, BDME and SMNE, the same information was obtained that workers were free to associate, have opinions, have religion, there had never been harassment and there had never been forced labor.

Based on the description above, it shows that the company already has a policy of non-discrimination and equal opportunities publicly available which is implemented by preventing discrimination.

6.1.2

Based on the verification of worker recruitment documents, it is known that the recruitment of workers is based on skills, abilities and records of medical examination results. The company has a non-discrimination and equal opportunity policy which is indicated in the social and anti-discrimination policy document presented in the policy to respect human rights which was ratified by RH on 4 November 2020. Based on the results of interviews with the HR Department and document review it is known that PT KMB does not have workers migrant.

The company shows recruitment documents including:

- Job application letter with the initials SO to the management of PT KMB.
- SPK No. 003/KMB/SPK-PKWTT/II/2023 dated 1 February 2023 Permanent Employee as Regional Warehouse Administration. The Work Agreement Letter stated several things, including the basic wage of Rp. 3,265,859.89 (according to the Minimum wage of Kotawaringin Timur Regency).
- Permanent Employee Appointment Letter No. 0002/HR-KMB/SK/II/2023 on 1 February 2023 against the employee with the initial SO.

The worker was recruited to become PT KMB's warehouse administration.

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

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

6.1.3

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

There are examples of the application of an equal opportunity employment policy for all workers to ensure that workers are protected from discrimination at all stages of the employment relationship, such as the document Letter of Appointment for Permanent Employees No. 0002/HR-KMB/SK/II/2023 dated 1 February 2023 against the employee with the initial SO. The employee passed the selection based on his skills and abilities as a new PT KMB employee.

In addition, there are examples of other employee promotions, namely the initials SR, Foreman 1 GMKE Division PT KMB was evaluated on June 1, 2023, with good results. The employee is appointed as a monthly permanent employee authorized by HR Mentaya.

The appointment of employees is based on the results of an evaluation that is carried out periodically every month, with aspects assessed including discipline, quantity of work, cooperation, work attitude, and responsibility. In addition, the results of verification of the Employee List show that workers come from various ethnicities, religions, education and ages.

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

6.1.4

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. This was clarified by the results of interviews with female spray workers at GKME, BDME and SMNE as well as representatives of the gender committee who stated that female workers are required to carry out monthly pregnancy tests at the clinic to ensure that no pregnant/breastfeeding female workers are exposed to chemicals.

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

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

6.1.5

The company has a gender committee structure in GMKM, GMKE, SMNE and BDME, as follows:

- BDME, consisting of the Chair (Wardati), Deputy Chair, Secretary, Complaint section Coordinator, Empowerment section coordinator and training section coordinator, authorized by the EM BDME.
- GMKM, consisting of the Head (Dini), Secretary, Coordinator of the complaint section, coordinator of the empowerment section and coordinator of the training section, which is approved by the GMKM Mill Manager.
- GMKE, consisting of the Chair (Wardati), Deputy Chair, Secretary, Complaints Coordinator, Empowerment Coordinator, Training Coordinator and Women's Coordinator, which is approved by EM SMNE.
- GMKE, consisting of Chairperson, Deputy Chairperson, Secretary, Coordinator of complaints section, coordinator of empowerment section and training section coordinator, which is approved by EM GMKE.

The management of the gender committee routinely holds meetings and outreach regarding potential problems that may occur. For example, there is an official report on the socialization of the gender committee on 15 May 2023 which was attended by 18 people consisting of management and members of the gender committee.

In addition, there are minutes from the routine meeting on 3 February 2023 at GMKM which discussed the gender committee as a forum for women's gender aspirations in the event of sexual harassment, the gender committee has the potential to develop women's knowledge and skills and discussed gender equality. In addition, the meeting discussed the mechanisms for submitting internal complaints.

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

6.1.6

The company does not discriminate against workers' rights. The company has a non-discrimination and equal opportunity policy which is indicated in the social and anti-discrimination policy documents presented in the policy to respect human rights which was ratified by RH on 4 November 2020. It is stated that the company will fulfil its responsibility to respect human rights by implementing the articles that of the UN guiding principles on human rights and business. The company and its suppliers/sub-contractors must ensure that all workers are paid a minimum wage equal to the applicable minimum wage. The company is committed to ethical hiring and providing a healthy and safe work environment for all employees, contractors and visitors.

Payment of fair wages has been made by the unit of certification by considering ability, performance, expertise, years of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This is stated in the internal document memo No. 112/MEMO-BGA/HC-

POP/XII/2022 concerning the Structure and Scale of Wage for Permanent Employees of PT KMB for 2023 on 23 December 2022. Wages consist of 3 namely basic wages, fixed allowances and non-fixed allowances. Here are some examples of pay slips based on the company's pay scale structure:

- Pay slips for permanent employees for the period of May 2023 with employee No. ID 13009042 Division of the Plantation Office with permanent employee status with a basic wage of Rp. 3,265,860, with premiums, Health Assurance benefits, Social Assurance and deductions so that a net wage of Rp. 3,455,700
- Pay slips for permanent employees for the period of May 2023 with employee No. ID 24320451 Division of the Plantation Office with permanent employee status with a basic wage of Rp. 3,265,860, with premiums, Health Assurance benefits, Social Assurance and deductions so that a net wage of Rp. 3,769,904.

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

Status: Comply

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

6.2.1

The company has wage documentation, which is shown in the Decree of the Governor of Kalimantan Tengah No. 188.44/472/2022 dated December 6, 2022, concerning Determination of the Minimum Wage for Kotawaringin Timur Regency in 2023, namely Rp. 3,265,859.89.

Payment of fair wages has been made by the unit of certification by considering ability, performance, expertise, years of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This is stated in the internal memo No. 112/MEMO-BGA/HC-POP/XII/2022 concerning the Structure and Scale of Wage for Permanent Employees of PT KMB for 2023 dated 23 December 2022.

The company has identified a living wage by calculating updated wages, facilities and benefits received by employees. The company has set a minimum wage of Rp. 3,265,860 to 3,540,860. Employees are given other wages in accordance with their position and title, including work premiums, work attendance incentives, length of service incentives, BPJS facilities, housing, transportation, education, daycare, sports facilities, electricity and clean water.

Companies can also show documentation of wages according to their work results, for example wages for employees grading ID 242222429 in the May 2023 period at GMKM get a wage of Rp. 4,619,500. The wages consist of basic salary, overtime, BPJS Employment Benefits, BPJS Health Benefits, Family Allowances, and BPJS Deductions.

In the work agreement document, the terms and conditions of work are stated, including workers must use PPE according to the risks of their work, workers must comply with labor regulations, comply with company business ethics, prohibit child employment, forced labor and workers from human trafficking.

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

6.2.2

The company has Company Regulations 2021-2023 which regulate the rights and obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, reduction, overtime, sickness, holiday rights, maternity leave rights and other provisions. In addition to the Company Regulations, the unit of certification also has policies and work contracts for workers that regulate the rights and obligations of workers.

Adjustments to company wages refer to the internal memo No. 112/MEMO-BGA/HC-POP/XII/2022 concerning the Structure and Scale of Wage for Permanent Employees of PT KMB for 2023 dated 23 December 2022. The company has identified a living wage by calculating updated wages, facilities and benefits received by employees. The company has set a minimum wage of Rp. 3,265,860 to 3,540,860.

The company also shows examples of SPK PKWTT including No 003/KMB/SPK-PKWTT/II/2023 dated February 1, 2023 between the Mentaya HR Region and the employee with the initials SO as a Permanent Employee in Regional Warehouse Administration starting from February 1, 2023. The agreement has discussed several Article: type of work and place of work, working days and hours; terms and conditions of work; validity period; Remuneration; the rights and obligations of the first party; the rights and obligations of the second party; the end of the work agreement; and cover. The agreement was signed by both parties.

Based on the description above, it shows that companies can show work agreements along with related documents that regulate detailed wages and work conditions and salary detail documents that provide information regarding compensation for work performed.

6.2.3

The company has proof of legal compliance with regular working hours, overtime, sick leave, vacation entitlements, maternity leave, notice periods before termination of employment, and other employment provisions. The company shows proof of payment of salary including overtime pay, for example there is wages received by employees with NIK 16010 as Sungai Mentaya Estate Harvesters. In details, his salary consists of a harvest premium of Rp. 796,975, basic salary Rp. 3,395,249, BPJS Health allowances Health Assurance benefits, Worker Union deductions, Social Assurance deductions and Health Assurance deductions, so that the total wages received by these employees is Rp. 4,025,756.

The Company has also shown the formula for requesting rest leave, including GMKE NIK 242220964 employee leave 6-19 June 2023 which has been approved by personnel and the Estate Manager.

The company has also shown proof of payment to retired employees, including proof of payment to employees with ID No. 241924110 with Joint Agreement No. 020/KMB/HRD-PB/IV/2023 dated 19 April 2023 in the amount of Rp. 66,878,265.

Based on the description above, it shows that the Company has proof of legal compliance for regular working hours, overtime, and other employment provisions.

6.2.4

The company has provided welfare facilities for its residents in the form of housing, clinics, water supply, electricity, education, transportation, places of worship (mosques & churches), sports facilities and others. The results of a field visit to the housing area of Gunung Makmur Mill, BDME and SMNE Divisions 1 and 2, it is known that workers are provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there is a daycare for children and a nursing room. The house is occupied by 1 family and specifically for unmarried workers, 1 house will be filled by 2-3 workers. The company also has a source of water from reservoirs and wells which are never short of supply. The company also has clinics and medical staff who are competent and certified. In addition, there is good access to attend kindergarten, elementary, junior high and high school level education for children of company employees who are still of school age. In general, the facilities provided by the company are suitable for use by workers and their families.

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

6.2.5

The unit of certification has made it easier for workers and their families to obtain food sources by providing an employee cooperative that sells daily necessities 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.

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

6.2.6

In Indonesia there were no living wage standard is established, so UoC still implemented the national minimum wages for all workers. In addition to the payment of minimum wages, certification unit has been conducting an assessment of the prevailing wages and in-kind benefits provided to workers in the certification unit aligned with the RSP0 Guidance for Implementing a Decent Living Wage.

UoC has the determination of assessment prevailing wage and all kinds of benefit for DLW simulation in 2023 has been included in the calculation of Prevailing wages. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages. Meanwhile, in-kind benefits are taken from all costs incurred by the certification unit for the provision and maintenance of facilities provided by the certification unit to employees, such as electricity, housing, water, schools, health facilities, transportation, uniform, extra fooding, sport centre and baby care. The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 4,495,594/ month (Minimum wages in 2023, IDR. 3,265,860/ month + in-kind benefit, IDR. 1,229,734/ month).

Based on interview with works and document verification, the calculation data of prevailing wages is rational in accordance with the local price.

6.2.7

All workers working in the certification unit are permanent workers. Since 2020 until now there are no longer contract workers, casual daily worker and migrant workers. For work that is permanent in its entirety by permanent workers. Non-permanent work employed by contractor workers is maintenance workers in the plantation. For the work given to the contractor, it has completed the regulated requirements such as a work agreement, wages that match the minimum wage, providing PPE, being registered as a member of *BPJS*, the contractor has a business license (*SIUP*), certificate of company registration (*TDP*) and others.

Status: Comply

6.3

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

6.3.1

The company has a published statement recognizing freedom of association and the right to collectively bargain in the national language, which among other things is stated in the PT KMB Human Rights Policy ratified on 4 November 2020 by RH Mentaya, namely the company will fulfil its responsibility to respect human rights by implementing the articles that relevant to the UN guiding principles on human rights and business such as providing equal employment opportunities regardless of race, religion, degree, ethnicity, gender, skin colors, disability, sexual orientation, political affiliation, protecting female workers from sexual harassment, acts of violence, and rights related to women's reproduction, respecting and appreciating the right of every worker to form or become a member of a trade union.

The company is committed to respecting and ensuring the fulfilment of the rights of all workers, in accordance with applicable laws and regulations with reference to international initiatives and standards. The company does not prohibit, hinder, or limit workers from forming or not forming trade unions in terms of realizing freedom of association and assembly for every worker. The company also does not interfere in the process of selecting union officials. Trade unions have a function as a party in drafting collective labor agreements and settling industrial relations disputes.

This statement was explained to all workers through outreach regarding human rights policies, such as respecting employees' rights to organize. The socialization was carried out on May 31st, 2023 at GMKE and was attended by 143 company employees consisting of harvesters, maintenance employees and foremen. In addition, there are other examples of socialization, namely Bipartite Cooperation socialization, PPE socialization, and HIRAC for BDME employees attended by 8 fertilizer employees, 6 slashing employees,

Evidence of the implementation of this policy includes that the Company has formed a Bipartite Agency according to the Decree by the Manpower and Transmigration Agency of Kotawaringin Timur Regency with Number

560.565/482/Disnakertrans/XI/2022 with Chairperson Aep Saepudin, Deputy chairman Putut Eko Wahyono Secretary Renny Novrida Bendahara Ayang Sulistyo, signed by the Head of the District Manpower and Transmigration Office. Kotawaringin Timur on 5 September 2022 valid for 3 years. The establishment of the Bipartite Cooperation was attended by 19 people.

On September 27 2022 there was a change in the organizational structure of the Bipartite Agency with Chair Aep Saepudin, Deputy Chair Abdul Ghofar, Secretary Fitria, Treasurer Imas Maisyaroh. The Bipartite Cooperation formation meeting was attended by 19 people consisting of management representatives (Accounting, HC Dept. Head) and workers (CE foreman, operational admin). The request for changes to the organizational structure of the Bipartite Agency was submitted to the Kotawaringin Timur Regency Manpower and Transmigration Agency on October 5, 2022 and is currently still being processed at the Kotawaringin Timur Regency Manpower and Transmigration Agency.

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

6.3.2

Bipartite Agency of PT KMB has minutes of meetings between company representatives and workers. Records of these meetings are reported to the Kotawaringin Timur Regency Manpower and Transmigration Agency once every three months. The following are examples of these reports:

- activities of Bipartite Cooperation PT KMB Quarter 4 of 2022 with registration number 560.565/482-Disnakertrans/2022. The activities include Knowledge sharing and replacement of the Bipartite Cooperation management in Area 1 and Area 2 which were held on September 26 2022 and September 27 2022, the Bipartite Cooperation management had previously been registered and a Decree issued by the District Manpower and Transmigration Office. Kotawaringin Timur Number 560.565/482/Disnakertrans/XI/2022 with Chairperson Aep Saepudin, Deputy chairman Putut Eko Wahyono Secretary Renny Novrida Bendahara Ayang Sulistyo, signed by the Head of the District Manpower and Transmigration Office. Kotawaringin Timur on 5 September 2022 valid for 3 years. The establishment of the Bipartite Cooperation was attended by 19 people.
- Activities of Bipartite Cooperation PT KMB Quarter 1 year with registration number 74355.20230520.0001. Its activities include:
 - Minutes of the meeting on January 3, 2023, discussed the Formation of the *Tabligh Akbar* committee in order to increase the faith and piety of all staff and employees in the plantation environment and strengthen *ukhuwah Islamiyah* with the surrounding community which was attended by 17 people.
 - Plans to socialize the provision of benefits to outstanding harvesters in the GMKE and BDME Units which will be implemented on March 10, 2023, with benefits for harvesters with an average productivity of 90%, subsidies for paying interest on motorcycle loans, educational scholarships for harvesters' children and umroh to the Holy Land (Moslem) and Holyland to Jerusalem (Christian/ Catholic).

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

6.3.3

The company does not interfere in the selection or implementation of Bipartite Agency activities, this is evidenced by interviews with representatives of workers and Bipartite Agency management who stated that in the process of selecting/making decisions and planning activities, members provide input/aspirations to their respective representatives to make selections/decisions. The process of establishing Bipartite Agency is explained in indicator 6.3.1

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

	Status: Comply	
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6.4

Children are not employed or exploited.

6.4.1

The company has a PT KMB Human Rights Policy which was ratified on 4 November 2020 by RH Mentaya, including not employing under 18 years old, no forced labor or workers from human trafficking. The company and its contractors must ensure that all workers are paid a minimum wage equal to the applicable minimum wage. The company is committed to ethical hiring and providing a healthy and safe work environment for all employees, contractors and visitors. The company supports government programs and therefore does not allow anyone to employ child labor outside the provisions of the applicable law. To ensure that no child labor is used, the Company determines the age of applicants or prospective employees of at least 18 (eighteen) years as evidenced by an E-KTP (Electronic Identity Card) or a Birth Certificate / Birth Identification Certificate and Family Card.

In addition, based on the results of field observations at GMKM, GMKE, BDME, SMNE, contractors for FFB and EFB transport drivers, no child workers were found. This is also in accordance with the information provided by the Chairman of the Bipartite Agency, as well as representatives from the Manpower Agency in Kotawaringin Timur Regency that there is no issue of child labor in the company.

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

6.4.2

The company shows the employee list document for the PT KMB unit for the period May 2023 where there is no employee under 18 years old. The policy regarding the prohibition of child labor is contained in the PT KMB Human Rights Policy, which was ratified on 4 November 2020 by RH Mentaya, it is stated that the Unit of Certification is committed to Child Protection, prohibiting child labor and forced labour.

Based on interviews with HC staff, it was explained that in the process of recruiting employees, identity checks (Electronic Identity Card or Birth Certificate) will be carried out to ensure that the age requirements of workers are met and not violated. This is also in accordance with the results of field verification that found no child laborers working in the company.

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

6.4.3

In accordance with indicator 6.4.1 regarding the policy that applies to the minimum age of workers and the employee recruitment process as well as the results of observations in the field, it is known that there are no young workers and at the time the Audit was carried out there were no students carrying out field work practices for the needs of fulfilling the school curriculum.

Based on the description above, it shows that the company does not use young workers in its operational activities

6.4.4

The company has conducted outreach regarding the prohibition of child labor both verbally and with warnings. For example, there was a socialization of the prohibition of child labor, including the socialization, which was delivered to BDME employees on April 17, 2023, which was attended by 20 employees consisting of foremen, harvesters and maintenance employees. On May 17, 2023, socialization regarding the prohibition of child labor was carried out at SMNE which was attended by 16 employees. In addition to verbal socialization, the company also conducts visual socialization, including by posting warnings prohibiting the employment under 18 years old and the prohibition of bringing children to the work area. These warnings were posted in all employee housing and offices at GMKM, GMKE, BDME and SMNE.

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

Status: Comply	
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6.5

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

6.5.1, 6.5.2

The company has a policy regarding the prevention of sexual harassment and violence and other forms of which are listed in the PT KMB Human Rights Policy ratified on 4 November 2020 by RH Mentaya stated that the company will fulfil its responsibility to respect human rights by implementing the relevant articles of the UN guiding principles on Human rights and business such as protecting women workers from sexual harassment, acts of violence, and rights related to women's reproduction. The company does not tolerate any form of harassment and abuse of authority including physical, sexual, psychological or verbal violence. Everyone must be treated with respect and dignity. Any disputes with local communities must be handled in accordance with the principle of equality and free from intimidation, violence and harassment.

This policy has been disseminated to all employees, including at GMKM on 18 July 2022 which was attended by 58 employees. The purpose of this meeting is to convey information to all employees regarding sexual harassment and reproductive rights, and gender equality.

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

Based on the description above, it shows that the unit of certification has carried out socialization regarding company policies regarding the prevention of sexual harassment and violence and other forms and communicated them to all employees.

6.5.3

The company has conducted an assessment of the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in Indonesia. Every month, the company collects data on pregnant women and mothers who have given birth to meet their immediate needs. For example, in May 2023 there was 1 new mother, in April 2023 there was 1 new mother and in March 2023 there was 1 new mother. The company has met their needs, including accompanying midwives during deliveries, ambulances, delivery rooms and basic immunizations.

Based on interviews with the spray foreman and fertilizer foreman at GMKE, BDME and SMNE, it is known that employees can be given permission if they are going to breastfeed their babies. However, based on field observations of spray and fertilization workers at GMKE, BDME and SMNE, there were no workers who were still breastfeeding their children. Based on the description above, it shows that the company has assessed the needs of new mothers by asking for their opinion, as well as taking action to meet the identified needs according to regulations in force in Indonesia.

6.5.4

The company has procedures for grievance and conflict resolution including filing complaints that guarantee the anonymity and protection of the complainant if requested. The procedure is contained in the Procedure of complaint and grievance delivery was presented in document No. KMB-SUST-SOP-10. The procedure has guaranteed the anonymous and whistleblower. Procedures are available in Bahasa Indonesia and if there are any complaints/grievances that the resolution has not found mutually, the complainants can bring that compliance to the RSPO Complaints System. In addition, the company has SOP HC No. BGA-SOP-HC-311.1-R0 was approved by the Director of BGA on 20 April 2012. The SOP explains that when submitting complaints, employees must go through a predetermined mechanism. Every complaint starts from the immediate superior and continues to a higher level.

Complaints and grievances were recorded on the Logbook. Confirmed to a sample of stakeholders during the public consultation with village communities, government agencies, local contractors and FFB suppliers who stated that the SOP was understood by all parties. All complaints conveyed to the mills and estates have been recorded and followed up by the company in accordance with the SOP.

The purpose of this SOP is to ensure that complaints and conflicts originating from within (internal) and from outside the company (external) can be resolved effectively and efficiently by taking into account the principles and criteria of oil palm

plantations.

The scope of this SOP includes recording of complaints and conflicts, rating, communication, planning, handling, monitoring and reporting of complaints and conflicts handling originating from internal and external parties of the company. This procedure also includes handling reports of sexual harassment and acts of violence that occur within the company's operational permits.

The company has a complaint resolution mechanism related to employment, including that each reporter's identity (anonymity/whistleblower) is maintained/confidential. Complaints related to employee complaints can be submitted via SMS, WA, email, and telephone. For example, there are banners containing telephone numbers that can be contacted if there are complaints and these banners are posted in each unit, namely the GMKM, GMKE, BDME, and SMNE offices.

Based on document review of outgoing and incoming letters, there were no reports of complaints from external parties.

Based on the description above, it shows that the company already has procedures for grievance and conflict resolution including submitting complaints that guarantee the anonymity and protection of the complainant.

Status: Comply

6.6

No forms of forced or trafficked labour are used.

6.6.1

The company has a policy regarding forced labor in PT KMB's human rights policy which was ratified on 4 November 2020 by RH Mentaya. Based on this policy, the company guarantees that all workers are free from all forms of forced labor, as well as the practice of human trafficking, prohibiting slavery in any form. Based on the results of interviews with the company's HC staff and the employee list document, it is known that there are no migrant workers.

In addition, based on interviews with workers at GMKM, GMKE, SMNE, and BDME it is known that the company's employees are permanent employees. Workers come voluntarily to apply for jobs that are available free of charge and without storage of identity documents, and the majority come from local communities around the plantations. Overtime is monitored by the company, and workers are given the freedom to choose to work overtime by signing an overtime order if there is work that requires overtime. In addition, there is no penalty for termination of employment if they want to terminate the contract early and there has never been a withholding of workers' wages.

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

6.6.2

There are no migrant workers who work in the certification unit's operational area. All workers come from within one country (although from various regions). In addition, each worker has been provided with a clear work contract. The rights and obligations of workers are also clearly stated in certification unit regulations, Company Regulation, and in work agreements. Based on the employee list, it is known that all employees are permanent employees.

Status: Comply

6.7

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

6.7.1

OHS organization.

PT KMB already has an OHS organization in the form of an OHS committee for PT KMB, as follows Decree of the Head of the Social, Labor and Transmigration Office of Central Kalimantan Province Number 187/DISNAKERTRANS /I/2022 concerning ratification of PT KMB's OHS organizational structure, established in Palangkaraya on 12 May 2022. The OHS Committee Secretary is a worker with the initials CB. The CH shows an OHS expert authority card and an official OHS expert decision from the Ministry of Manpower of the Republic of Indonesia dated July 25, 2022 with the status still valid until July 2025.

Periodic meetings

The CH also has an OHS Committee in each unit which is responsible for implementing OHS aspects. One of the OHS Committee's activities is to conduct monthly evaluations regarding the implementation of the OHS program. For example, in the meeting on April 8, 2023, at GMKM which was attended by staff and foremen. Discussed, among other things, OHS process aspects, leak prevention, and 5R aspects.

6.7.2

The CH has an Emergency Preparedness and Response procedure (Document No: BGA-SOP-KMB 13-R0), which was approved by the Area controller and Plantation General Manager in September 2012 regarding instructions for identifying and anticipating potential accidents and situations and responding to them. as well as preventing and reducing environmental impacts, to overcome impacts and carry out disaster recovery actions resulting from emergency events, minimizing the level of danger that exists to protect company assets and reduce the impact of losses that can occur due to disasters.

First Aid Officer

The CH has doctor who has taken part in Hiperkes training with the initials DNA established in January 2014, and paramedic with initials Spt who have Hiperkes certified too. The CH has also conducted first aid training for Supervision which was held on April 14, 2023, and was attended by 29 participants. Based on field observations, such as during harvest and spray activities, it was discovered that the foreman had brought a first aid kit/bag. The results of the interviews revealed that they had received first aid training and were able to explain the name and function of the first aid equipment.

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

Records of work accidents

During the period January – May 2023 in the PT KMB area there were several work accidents which resulted in the loss of working days. Work accidents that occur, such as being hit by an egret, slipping, and falling from a motorbike, have been resolved using existing first aid equipment. Work accidents are routinely reported to the relevant agencies.

6.7.3

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

Based on the results of field observations and interviews with workers at the Mill and Estate, it is known that workers have used PPE in accordance with the requirements in the HIRAC document. All PPE is provided by the company, and if damaged it will be replaced. Or if the PPE is no longer suitable or no longer provides adequate protection, a new one will be replaced.

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

6.7.4

The company has employment security and health insurance policies in Company Regulations for the 2021-2023 period based on the Decree of the Director General for the Development of Industrial Relations and Labor Social Security No. Kep. 4/HI.00.00/00.0000.210714006/B/VI/2021 concerning ratification of PT Karya Makmur Bahagia Company Regulations. In Chapter IV regarding the national social security system, Article 23 stipulates that all workers are included in the BPJS program. Article 25 concerning health care insurance states that the company provides health care insurance to workers and their families by developing health program facilities and benefits independently. Guarantees for outpatient treatment, hospitalization, delivery costs and the cost of buying glasses are given to workers based on rank and position.

The company also includes all of its employees in the BPJS health program. The company shows proof of payment for BPJS Kesehatan for the May 2023 period, namely:

- Proof of payment on April 29, 2023 for 352 BDME employees of IDR 57,479,136
- Proof of payment on April 29, 2023 for 444 GMKE employees of IDR 75,502,092
- Proof of payment on April 29, 2023 for 136 GMKM employees of IDR 22,249,098
- Proof of payment on April 29, 2023 for 368 SMNE employees of IDR 60,091,824

The company also provides medical centre facilities as a means of first aid in accidents.

In addition, the Company has also realized employment protection for all of its employees. The company shows proof of payment for BPJS Ketenagakerjaan for the May 2023 period, namely:

- Proof of payment on June 15, 2023 for 365 BDME employees of IDR 113,494,314
- Proof of payment on June 15, 2023 for 456 GMKE employees of IDR 141,895,490
- Proof of payment on June 15, 2023 for 137 GMKM employees of IDR 44,508,114
- Proof of payment on June 15, 2023 for 397 SMNE employees of IDR 123,414,723

Based on interviews with HC staff and document review, there were no work accidents requiring treatment at the hospital. The company only shows claims for outpatient treatment of traction employees on behalf of AS initials and has been paid by the company Rp. 450,000. The company has medical staff who have followed the hyperkes certificate, licensed medical officers and first aid workers.

Based on the description above, it shows that all workers are provided with health services and are protected by work accident insurance. Costs incurred as a result of work incidents, resulting in injury or illness, are borne in accordance with applicable regulations.

6.7.5

Based on document review, it shows that the Company records work accidents regularly using LTA. For example, in the period May 2023 at PT KMB there was 1 work accident which resulted in the loss of 1 day of work, with an FR value of 135.3; SR 0; and LTIR 0.

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 integrated pest control plan is contained in the annual budget document which refers to the procedures in place, including:

- Carry out detection, census and monitoring of pest attacks of rats and leaf-eating caterpillars periodically in accordance with procedures.
- Carry out biological pest control by using owls to control the population of rats and planting beneficial plants as habitats for predators of leaf-eating caterpillars.

The company has a record of the implementation of pest monitoring and control, by showing evidence such as:

- Records of integrated pest control show that the company has carried out pest attack observations in April 2023, with the result that there was no Nettle Caterpillar pest attack, and the rat attack rate was zero. The results of field observations in all assessment locations also revealed that there were no pest attacks.
- Planting beneficial plants, the company has planted beneficial plants by showing the beneficial plant monitoring documents, namely *Turnera ulmifolia*. Based on field observations in the blocks M05 BDME, it is known that there are *Turnera ulmifolia* plants for the predatory hosts of *Setora nitens*.
- Development of Owls as natural predators of rats. The results of the study on the report on the condition of BOB in

May 2023 revealed that in PT KMB there were 68 BOB. The results of field observations revealed that there are owl cages, such as in the block Q05 BDME.

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

7.1.2

Invasive species in Indonesia refer to Minister of Environment and Forestry Regulation number P.94 of 2016. The results of field observations in blocks M05 BDME, it is known that there are *Turnera ulmifolia* plants in good condition.

7.1.3

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

Status: Comply

7.2

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

7.2.1

Based on document review and field observations in spraying, it is known that pesticides (herbicides) have been used to control weeds. The CH has prioritized selective products and application methods that are specific to the target pest, weed or disease. The basis for using certain pesticides against target pests/weeds has been indicated by the company in the Pesticide List document. For example, Penta up pesticide for narrow leaves.

7.2.2

The CH has kept records of all pesticide use in all units. This is stated in the document Use of Pesticides for 2021 – May 2023 which contains pesticide brands, active ingredients, LD₅₀, and use of active ingredients per ha. For example, pesticide use for the period September 2022 - May 2023 at SMNE, Penta Up with the active ingredient glyphosate 480 g/L, with an LD₅₀ of 4,230 mg/kg. The application area is 10,369 ha with a volume of 2,316 L, so the active ingredient/ha is 107.19 g/ha.

7.2.3

The CH is committed to minimizing the use of pesticides and has an IPM concept. The results of the document review show that the trend in pesticide use in 2021 and 2022 is relatively the same. For example, glyphosate use in 2021 will be 0.27 L/ha and in 2022 it will be 0.29 L/ha. Meanwhile, for the period September 2022 to May 2023, the use of glyphosate per ha is 0.22 liters/ha. This is due to the condition of the weeds in the field. Meanwhile, the results of the document review also revealed that there was no use of pesticides for pest control. In line with this, the census results also showed no pest attacks. Documents on maintenance/planting of beneficial plants such as *Turnera ulmifolia* have also been shown. Also shown BOB monitoring of 68 in GMKE, BDME, dan SMNE. The results of field observations also revealed that there were *Turnera ulmifolia* plants in Block M05 BDME and BOB in Q05 BDME.

7.2.4

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

7.2.5

The CH has a commitment/policy of not using pesticides included in WHO classes 1a and 1b, or included in the Stockholm convention, as well as paraquat contained in the Sustainability Policy dated 13 August 2015. The results of a review of pesticide use documents for the period January to May 2023 show that pesticides are used include glyphosate, Methyl metsulfuron, Ammonium glufosinate, and Triclopyr. There is no use of WHO classes 1a and 1b, nor is it included in the Stockholm convention.

The results of field observations in spraying activities in Block R05 BDME and Block T12 SMNE, revealed that workers

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

7.2.6

Pesticide applications have been carried out by persons who have completed the necessary training and have been applied according to the product label. The results of interviews during field observations in spraying activities revealed that workers were able to explain the safe handling of pesticides according to procedures. The source informed that they had received training in handling pesticides from the company. The results of field observations also showed that workers had implemented safe work techniques. As a result of document review, it is known that pesticide training has been held at the company, including on March 08, 2023, in SMNE and 01 June 2023 in GMKE.

7.2.7

The storage of pesticides at the company complies with best practices. The results of field observations in the pesticide warehouse area at SMNE show that pesticides have been grouped by type, there is an MSDS in a language understood by workers, symbols for hazardous and toxic substances, in a place that has good air circulation and sufficient lighting. The warehouse is locked and there is a limited area warning and the use of PPE when accessing it. The results of interviews with workers revealed that workers could explain and demonstrate safe work techniques in that area. However, there is a note in BGA Ground System Management in BDME which has been discussed in indicator 3.6.2.

7.2.8

The certification unit already has the SOP for the management of pesticide packaging waste, namely the number GA/KMB-K3/IK-01/03/2012, ratified on March 12, 2012, and the SOP for the Management of Hazardous and Toxic waste, namely Number BGA-SOP-CCS-1101.1R0 which was ratified on 22 August 2011. The procedure explains that all used pesticide packaging that is empty must be controlled and managed properly in circulation and cannot be used for employee needs, such as for water containers, food containers, and others. Used pesticide packages that are not reused must be immediately perforated at the bottom and sent to the Hazardous and Toxic Waste Warehouse.

7.2.9

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

7.2.10

There are results of PT KMB cholinesterase examination of 715 Mentaya Region workers, including GMKE, SMNE and BDME workers. The MCU was carried out in May 2023. The examination results released by the Laboratory stated that all workers who took part in the health examination had normal results and were fit to work. Based on interviews with workers at all assessment locations during the audit, information was also obtained that the workers had undergone health checks and the results had been informed, with the conclusion that they were fit for work.

7.2.11

The CH has a commitment regarding pesticide applicators not carried out by pregnant or lactating women, or people with medical limitations contained in the company's policy to protect the reproductive rights of women workers. The results of field observations in spraying activities at GMKE, SMNE, and BDME found that there were no female workers who were pregnant and/or breastfeeding, or with medical limitations. The results of the interviews revealed that women workers who were pregnant or breastfeeding, or workers with medical limitations were transferred to non-pesticide jobs. Based on this, it is known that there are no workers who are pregnant, or breastfeeding, or with medical limitations who apply pesticides.

Status: Comply

7.3

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

7.3.1

The company shown evidence that the waste has been identified based on toxicity and hazardous characteristics, and then managed in accordance with waste management procedure and government regulation. The waste identification and management plan stipulated in document of Waste Source Identification and Management. Has been identified the source of waste and pollution from Mill and Estates. For example, engine room produce emission from generator, sterilizer station produces solid waste and scattered loose fruit, chemical storage produces solid waste, such as ex chemical container, etc.

POME

The waste treatment process in the factory with the WWTP pond system. Before being used on plantation land, all wastewater is treated first in the WWTP pond until it reaches the permissible quality standards for wastewater utilization with the provisions of pH 6-9 and BOD ≤ 5000 mg / l. Gunung Makmur POM has a permit for factory waste management, disposal or land application in accordance with stipulated requirements, accordance Permit to utilize palm oil industrial POME on the ground (Land Application) number 660/493/DLH-Ek.SDA.VII/2017 dated 25 July 2017 valid 5 year.

In this regard, the company shows the progress document for processing the land application permit and hazardous storage permit, which is in accordance with the letter from the Environmental Agency Kotawaringin Timur Regency December, 2021 No.660/DLH-TL/XII/2021 regarding the direction for the extension of PT KMB land application permit and hazardous waste storage, based on the directive it is explained that the land application permit is still valid if there are no changes operational activities.

Solid Waste (Fiber, Shell and EFB)

The company utilizes fiber and shells as boiler fuel, while EFB is applied to plantation land as fertilizer for oil palm plants by EFB composting.

Hazardous and Toxic

The company also has a permit for the Temporary Storage of Hazardous and Toxic Waste by the Regional Government based on the Decree of Regent Kotawaringin Timur Regency Number 660/493/DLH-Ek.SDA.VII/2017 dated 25 July 2017 valid 5 year.

Permit for temporary storage and/or utilization of hazardous and toxic waste which is valid for 4 hazardous waste storage warehouses within the scope of PT KMB. Permit based on the Decree of Regent Kotawaringin Timur Regency Number 660/493/DLH-Ek.SDA.VII/2017 dated 25 July 2017 valid 5 year. In this regard, the company shows the progress document for processing the land application permit and hazardous storage permit, which is in accordance with the letter from the Environmental Agency Kotawaringin Timur Regency December, 2021 No.660/DLH-TL/XII/2021 regarding the direction for the extension of PT KMB land application permit and hazardous waste storage, based on the directive it is explained that the land application permit is still valid if there are no changes operational activities.

7.3.2

The company has a waste management document

- IOM Confirmation of Domestic Waste Management and LB3 No. 02/IOM-KMB/IX/2022
- Record of IOM's socialization of Confirmation of Domestic Waste Management and LB3 at GMKM on 24 September 2022; at SMNE on October 24, 2022
- Clean Friday Schedule available at GMKE
- GMKE Waste Inspection Schedule is available
- GMKM K3L Inspection records are available

From the results of observations and interviews, information was obtained that the company had done the following.

- Waste socialization.
- Providing rubbish bins and throwing rubbish into landfill.
- Carrying out joint community service activities (clean Friday).
- Carry out routine inspections.

Based on the results of interviews with warehouse heads and spraying workers, it is known that they understand the company's waste disposal procedures, such as not burning waste and placing hazardous waste in hazardous waste storage areas.

7.3.3

The company does not do open burning to destroy waste, this can be proven from field visits to Temporary Waste Disposal Sites where there are no encounters with burnt waste. The results of interviews with factory employees also stated that there was no waste burning activity because they were aware of the prohibition on burning activities and the sanctions that would be received if burning.

Status: Comply

7.4

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

7.4.1

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

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

Based on field observations during the audit, it was discovered that the company had implemented soil fertility management procedures. These include fertilization activities in Block R14 SMNE, Block N08 GMKE, and EFB applications in Block I04 BDME. The results of observations and interviews with workers also show that workers understand work procedures and have implemented the company's work procedures.

7.4.2

As a consideration in making fertilizer recommendations, analysis of soil and leaf tissue is carried out. The latest records of soil and leaf tissue analysis are available, as follows:

- GMKE Soil Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on May 05 2023, totalling 30 samples, with test parameters including pH, C-Org, N, and C/N.
- BDME Soil Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on May 06 2023, totalling 32 samples, with test parameters including pH, C-Org, N, and C/N.
- SMNE Soil Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on May 06 2023, totalling 44 samples, with test parameters including pH, C-Org, N, and C/N.
- GMKE Leaf Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on January 23 2023, totalling 20 samples, with test parameters including N, P, K, Mg, Ca, and B.
- BDME Leaf Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on February 01 2023, totalling 16 samples, with test parameters including N, P, K, Mg, Ca, and B.
- SMNE Leaf Sampling Unit Test Results Report conducted by the BGA Analytical Laboratory Research Department on February 01 2023, totalling 10 samples, with test parameters including N, P, K, Mg, Ca, and B.

7.4.3

Element recycling strategies such as EFB and LA are also available. For LA, the liquid waste report for the first quarter of 2023 has shown that the liquid waste discharge is 11,310 m3. Meanwhile, the results of field observations in Block I04 BDME show that EFB has been applied among oil palm trees.

7.4.4

The CH has kept all records of fertilizer use that have been applied on the plantation. The results of PT KMB's review of fertilizer documents up to May 21, 2023, have been implemented, some of which are 100% in accordance with recommendations. For example, 1,184 tons of RP fertilizer and 94 tons of Borate, according to recommendations.

Status: Comply

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

The company shows map documents that identify land conditions, topography and soil types, namely:

- Map of soil type scale 1:155,000 No Reg. 008/KMB/GIS-Reg.I/VI/2021, which describes the types of soil in PT KMB, namely:
 - Dystrudepts: BDME (191.56 Ha), GMKE (1.692.68 Ha), SMNE (993.11 Ha)
 - Hapluhumods: BDME (-), GMKE (-), SMNE (-)
 - Local Alluvium: BDME (371.03 Ha), GMKE (903.73 Ha), SMNE (911.90 Ha)
 - Paleudults: BDME (732.98 Ha), GMKE (537.87 Ha), SMNE (759.29 Ha)
 - Plinthudults: BDME (-), GMKE (247.73 Ha), SMNE (10.22 Ha)
 - Quartzpsamments: BDME (-), GMKE (-), SMNE (-)
 - Udifluvents: BDME (-), GMKE (66.19 Ha), SMNE (-)
- Topographic map of Area 1 PT KMB (BDME, GMKE and SMNE) with a scale of 1:225,000 on January 1, 2011, where there are marginal areas as follows:
 - Slope >12%: 2,089.01 ha
 - Laterite soil: 885.4 ha
 - Kaolin soil: 4,515.4 ha

7.5.2

Based on the topographic planting map with a scale of 1:225,000, it is known that in area 1 of PT KMB (BDME, GMKE and SMNE) there is no area with a steep category (slope >45%). In addition, based on field observations in areas that have been completed and in progress replanting in PT KMB SMNE, no plantings were found in steep areas (slope >45%).

7.5.3

Based on document review, field observations and interviews with management representatives, it was found that during the ASA-1.4 Audit activities at PT KMB there were no new land clearing and no new plantings.

Status: Comply	
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7.6
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.
7.6.1

The company shows map documents that identify land conditions, topography and soil types, namely:

- Map of soil type scale 1:155,000 No Reg. 008/KMB/GIS-Reg.I/VI/2021, which describes the types of soil in PT KMB, namely:
 - Dystrudepts: BDME (191.56 Ha), GMKE (1.692.68 Ha), SMNE (993.11 Ha)
 - Hapluhumods: BDME (-), GMKE (-), SMNE (-)
 - Local Alluvium: BDME (371.03 Ha), GMKE (903.73 Ha), SMNE (911.90 Ha)
 - Paleudults: BDME (732.98 Ha), GMKE (537.87 Ha), SMNE (759.29 Ha)
 - Plinthudults: BDME (-), GMKE (247.73 Ha), SMNE (10.22 Ha)
 - Quartzpsamments: BDME (-), GMKE (-), SMNE (-)
 - Udifluvents: BDME (-), GMKE (66.19 Ha), SMNE (-)
- Topographic map of Area 1 PT KMB (BDME, GMKE and SMNE) with a scale of 1:225,000 on January 1, 2011, where there are marginal areas as follows:
 - Slope >12%: 2,089.01 ha
 - Laterite soil: 885.4 ha
 - Kaolin soil: 4,515.4 ha
- Area statement map scale 1:75,000 depicting block names, roads, block boundaries, rivers, emplacements, offices, mills, etc.

7.6.2

The company carried out replanting by implementing best soil management practices, such as ditching, washing trenches,

constructing contour terraces, planting vetiver grass, planting legumes, constructing contour roads as stated in the document:

- Minutes of Inspection of Replanting Works, namely: Minutes of Request for Payment dated August 16, 2022, at SMNE, replanting activities in the form of uprooting, mulching and mechanical chopping of mechanical planting holes, trenching and construction of contour terraces, as well as construction of contour roads.
- Map of the distribution of trenches and contour terraces at a scale of 1:150,000 as an effort to manage soil conservation in hilly and low land areas, namely: length of trench (SMNE = 14,278 Km, GMKE = 72,969 Km, BDME = 15,185 Km), length of contour terrace (SMNE) = 309.935 Km, GMKE = 211.037 Km, BDME = 42.846 Km)
- Realization of planting 250 plants of vetiver grass, this serves to reduce the rate of erosion in sloping areas. Based on field observations at SMNE Division 1 block Q08a, it is known that the company has planted vetiver grass and beans to anticipate landslides.

7.6.3

Based on field observations at all assessment locations during the audit were carried out, it was discovered that soil and topographic survey information had become a guide in drainage systems, irrigation, roads and other infrastructure.

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, and 7.7.7

Based on environment impact analysis (EIA) report in 2002, soil survey by GIS and research team dated 04 April 2017, as well as field observation to estate areas, it was known that there is no peat soil within PT KMB estate operational areas. Thus, this Indicator is not applicable.

Status: Comply

7.8

Practices maintain the quality and availability of surface and ground water

7.8.1

The unit of certification also does not limit access to clean water, and workers also have adequate access to clean water. Based on the results of field observations in the estate housing area as well as interviews with fertilizer workers, spraying workers, and harvest workers, information was obtained that clean water facilities for housing were obtained from drilled wells provided by the company and for factory workers who lived in factory housing, the water source came from reservoirs which has been processed in WTP.

The unit of certification has consistently had a water management plan for mills and plantations that is stated in the Environmental Management and Monitoring document as well as riverbank management programs and other water sources. Testing for drinking water is also carried out by the company to see the quality and quantity of ground water taken from monitoring wells and drilled wells. The guidelines used in measuring and testing drinking water quality use the Minister of Health Regulation Number 32 of 2017, concerning Environmental Health Quality Standards and Water Health Requirements and it appears that all parameters are below the standard quality standards. The realization of water quality improvements that have been carried out by the company include:

- Conduct socialization to all employees and the surrounding community not to use the surface water for consumption activities.
- Maintain a hygienic environment around water sources so that sources of pollutants can be minimized.
- Create a program to improve water quality gradually with the provisions of the applicable laws.
- Report the results of the examination in accordance with the provisions of the applicable laws.
- Testing the quality of river water and boreholes listed in the RKL/RPL report.
- Management of riparian and water sources in the form of reservoirs.
- POME management using WWTP and utilizing it in licensed application areas as well as monitoring the quality of wastewater and monitoring wells.
- Monitoring the use of water for palm oil processing and evaluating its use.

The company has a surface water quality monitoring program which is carried out every 6 months by a KAN accredited laboratory (LP-024-IDN) on April 26, 2022. The monitoring locations are at the upstream and downstream of the Mentaya river and the upstream & downstream of Penyahuan. Currently the company is conducting surface water testing using quality standards that refer to PP RI No.22 of 2021 attachment VI class II concerning river water quality standards and the like. The results of the testing will then be reported to the relevant Department through the RKL-RPL Report per semester.

- Water quality of S. Mentaya Upstream & Downstream semester 1 & 2 of 2022 Lab Sucofindo PP RI No.22 of 2021 attachment VI class II. Based on data, surface water quality in Semester II 2022 is better
- Drilling wells 21 September 2022, Minister of Health 32 2017 BAGE; GMKM; GMKE; BDME; BHJE;
- SMNE 22 September 2022
- Test results available May 20, 2023

7.8.2

Companies can show water source management and maintenance documents contained in the RKL-RPL semester 1 of 2023 and the 2022 HCV area management and monitoring implementation report. From the documents shown, it is known that several activities have been carried out by the management unit to manage water and maintain sources. water includes:

- Training for employees regarding management of conservation areas including river borders for activities that prohibit spraying and do not throw waste into rivers on February 14, 2022, for PT KMB plantation employees.
- Conduct regular monitoring of surface water quality at river inlets and outlets every 6 months on the Penyahuan and Mentaya rivers.
- Determination of buffer zones for river border areas.
- Installation and maintenance of Signboard warnings and boundary markers in river border areas which is carried out every year.
- Securing and protecting the area by means of security patrols carried out every year.

7.8.3

The company has a waste water treatment plant (IPAL) with the ultimate goal of distributing liquid waste to plantations (land application).

- The results of the study of the plan of the Bukit Makmur Mill WWTP have 9 waste ponds.
- The results of the study of the plan of the Gunung Makmur Mill WWTP have 12 waste ponds.

The certification unit has a permit to utilize liquid waste for Land Application (LA) from the Application authorized agency as follows:

- GMKM: Kotawaringin Timur Regent's Decree Number: 660/437/DLH-ek.SDA/VI/2017 dated 31 May 2017 is valid for 5 years. The land area of the Land Application is 427.68 hectares.
- BMKM shows the Decree of the Regent of Kotawaringin Timur Number: 660/043/DLH-Ek-SDA/VI/2017 dated 24 January 2017 and is valid for 5 years. The licensed land application area is 466.56 hectares.

The company has a PT Liquid Waste LHU Report. KMB Unit Gunung Makmur Mill First Quarter of 2023

PARAMETER		Baku	Jan	Feb	Mar
Debit	M ³		12.770	10.087	11.310
pH		6-9	7,81	7,77	7,62
BOD	Mg/L	<5.000	378	1.110	862

7.8.4

The company has a water utilization permit based on PUPR Ministerial Decree No. 229/KPTS/M/2021 dated 2 March 2021 concerning the Granting of Water Resources Business Permits to PT. KMB for Raw Materials for the Palm Oil Industry in the Sungai Mentaya, Kotawaringin District, Prov. Central Kalimantan Debit permit/quota 4,989,885 m3/month valid for 5 years. Flowmeter calibration is carried out every year.

Data available on water use in 2022 is 530,365 m3. Water use varies from 35,000 to 56,000 m3/month. Processed FFB

in 2022 will be 397,149 tons, so the ratio is 1.3 m3/ton (FFB Budget 1.3). The company showed proof of payment of water levies paid to the Regional Revenue Agency UPT Sampit Regional Revenue Services, Central Kalimantan Province

Status: Comply

7.9

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

The unit certification already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example, use of shells and fiber period January to December 2022 POM has produces 1,339,798 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 10.36 kwh / ton CPO. Result Direct fossil fuel used is 0.11 kWh/ ton CPO.

Status: Comply

7.10

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

7.10.1

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

Emissions per product	tCO2e/tProduct
CPO	1.08
PK	1.08

Production	t/yr
FFB processed	397,227.03
CPO produced	85254.73
PK produced	18998.36

Extraction	%
OER	21.46
KER	4.78

Land use	Ha
Planted area on mineral	17,896.93
Planted on peat	0
Total area planted	17,896.93
Conservation Area (Forested)	176.00
Conservation Area (Non-Forested)	0
FFB Production per hectare	29.84

Summary of field emission and Sinks

Description	Own crop		Group		3rd	Total
Emissions Sources	tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	tCO2e	
Land conversion	74852.80	0.97	50890.95	0.73	37784.17	163527.92
CO2 emissions from fertilizer	5758.26	0.07	14808.12	0.21	3065.82	23632.20
N2O emissions from peat	0	0	0	0	0	0
N2O from Fertilizer	2743.56	0.04	5773.76	0.08	1125.83	9643.14
Fuel consumption	2158.66	0.03	3796.49	0.05	946.36	6901.51

Peat oxidation	0	0	0	0	0	0
Sinks						
Crop sequestration	-69448.06	-0.90	-59400.20	-0.86	-38698.03	-167546.29
Sequestration in Conservation area	-1613.92	-0.02	0	0	0	-1613.92
Total	14451.29	0.19	15869.12	0.23	27786.36	58106.78

Summary Oil Mill Emissions and Credits

Remarks	tCO ₂ e	tCO ₂ e/t FFB
Emissions sources		
POME	77863.23	0.20
Fuel consumption	483.51	0
Grid electricity	0	0
Credits		
Export of grid electricity	-436.68	0
Sales of POM	-22981.38	-0.06
Sales of EFB	0	0
Total	54928.68	0.14

Palm Oil Mill Effluent (POME) Treatment

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

POME Divert to Anaerobic Digestion

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

7.10.2

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

7.10.3

The company has reports of air emission measurement results from Sucofindo including:

GMKM

- Ambient air quality semester 2 2022 Sucofindo PP 22 of 2021 Front of GMKM office; WWTP; Housing area; BDME Office; GMKE; BAGE; BHIE
- Boiler Flue Emissions. Boiler 2 (Takuma). Boiler 1 is not used (check results require repair). Minister of Environment Regulation Number 7 of 2007
- Generator Emissions regulation LH No. 15/2019 Mill
- Vehicle emissions from 10 Dump trucks

The company already has plans to reduce emissions, such as:

- Utilizing shell and fiber as boiler fuel to reduce the use of fossil fuels.
- Carry out emissions testing by an accredited laboratory.
- Fertilize according to the program.
- Reduce the use of pesticides.

Status: Comply	
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7.11

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

7.11.1

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

During the audit activity, the certification unit had not carried out any replanting or new development activities. Based on the interviews with management and the Environment Agency, it was also stated that the company is committed not to carry out burning activities for land clearing.

7.11.2

The certification unit has a no burning policy contained in the Policy on Environment and Biodiversity and was approved by the Regional Head on June 1, 2016 which states that PT BGA in running its business is committed to land clearing implementing a zero burning system (no burning) in all development activities. gardens and waste disposal. The certification unit also has procedure on fire prevention:

- a. SOP for Fire Management and Prevention (BGA-KMB-KRD/PRO-19/03/2012) was ratified on March 21, 2012 by the Area Controller 3. Emergency response conditions identified include: fire, explosion, pollution, natural disaster, civil commotion violence, demonstrations, work accidents. Broadly speaking, the SOP contains fire prevention procedures (with APAR, Hydrant), fire prevention, coordination, communication, training and socialization processes.
- b. The Work Instruction for Land Fire Management and Prevention (BGA-KMB-KRD/IK-20/03/2012) was ratified on March 21, 2012 by the Area Controller 3. The procedure describes land fire prevention, formation of a fire fighting team, and land fire prevention. , and activities after the blackout.

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

- Establish an internal emergency response structure for PT KMB.
- Annually the Health Fire Fighting Department together with Estate management analyze fire hazards and risks to assess the level of danger and protected areas by determining the priority scale according to the hazard.
- Fire-prone locations are marked on the map and assigned different grades and colors according to hazard based on the level of fire hazard and limiting factors in Fire control.
- The field team will monitor the daily level of vulnerability based on weather behaviour by counting days without rain, fuel conditions in the field, rainfall in the last 15 days and also the level of relative humidity (relative humidity).
- PT KMB plans, carries out fire prevention patrols whose frequency is adjusted to the daily fire hazard level and carries out patrols with a priority scale to areas with higher danger levels.
- Establish clear handling procedures in the context of Land Fire Control.
- Conduct training involving competent parties and create applications to monitor Hotspots in the certification unit's area and its surroundings.
- The certification unit has also formed a Forest and Land Fire Brigade, stratified according to the scale and extent of the fire as well as the severity and equipped with a support team such as logistics, planning, heavy equipment, medical, work safety, security, public relations and others. updated to ensure preparedness.
- Conduct socialization of the dangers of forest and land fires directly and indirectly, namely through warning boards.

7.11.3

The certification unit routinely conducts socialization and training to employees for fire prevention and control activities, some examples of activities that have been carried out include documentation in the form of socialization reports, simulations, and training for land, plantation, and forest firefighters in collaboration between Manggala Agni and PT KMB.

Status: Comply

7.12

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

7.12.1

Based on plantation management information and a review of the hectare's statements, it was found that there was no additional planting or expansion of the plantation operational area after November 15, 2018. However, the Company cleared land after November 2005 without prior HCV assessment so that remediation and compensation procedures apply. Based on the results of the previous audit, the company explains the land used change analysis with the following explanation:

- HCV Assessment Date Sept-October 2011.
- Land clearing prior to the November 2005 - September 2010 HCV assessment.
- The total area of the management unit is 15,056 ha.
- The total raw area is 5,268 ha.
- The total area of conservation responsibility is 1,855 ha (net area of 856 ha).
- E-mail evidence from the RSPO Compensation RSPO Executive to the Head of Sustainability BGA dated 25 April 2016 informing that the LUCA report has been received and declared as PASS.
- An email from RSPO (@rspo.org) dated 27 May 2019 informed that "kindly note that there is a land liability issue for this certified unit where the compensation plan has yet to be endorsed.
- The company can show evidence of communication between the BGA and the RSPO regarding the completion of the RaCP which is carried out regularly from March to June 2021. The results of the last communication with the RSPO are based on an email from aryo.gustomo@rspo.org on 17 June 2021, which is in an email The statement describes internal inspections and discussions at the RSPO Integrity Unit, decided to grant Conditional Approval with a maximum time of 16 December 2021, i.e. 6 months from the date of the email for Companies under the BGA group to continue annual surveillance audits to continue and allow all ongoing progress of the RaCP process is completed by the Company as quickly as possible. Conditional approval.
- In the ASA 1.3 activity, the company again showed the Compensation Plan process for BGA on behalf of PT BGA, according to the email from the RSPO dated 10 February 2022 which explained that the certified management unit allowed to complete the RaCP process and continue the annual supervisory assessment (conditional approval). This conditional approval will only be valid for 6 months from the time the email is sent (10 February 2022).

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

7.12.2

The results of the HCV assessment by independent consultants from Faculty of Forestry, Bogor Agricultural Institute who has been accredited and approved by RSPO have shown that there is no primary forest in the Forested Areas (*Pelepasan Kawasan Hutan*) of PT Karya Makmur Bahagia. The vegetation's cover dominated by the cleared land and shrub. Based on The Report of HCV Identification PT Karya Makmur Bahagia 2011 by Faculty of Forestry, Bogor Agricultural Institute, indicated that no peatland was found in the Permitted Area (*Izin Lokasi*). As for potential HCV areas, five types of HCV were identified by Faculty of Forestry, Bogor Agricultural Institute; these are HCV 1 (1.1, 1.2 & 1.3, HCV 2.3, HCV 4 (4.1 & 4.2), and HCV 6. From the results of the document review, the following information was obtained, HCV identification on 2012 results 693.48 Ha. Based on the results of the re-delineation (ASA- 1.4 Audit GMKM) of the HCV area included in the company's HGU, which is 169.54 Ha (on certification scope) with the following details:

- GMKE is 135 Ha (Sangsang river, Kehu river, Ehang hill, water spring block K03A & J03A, Nuhai river, Tangkara river and Konjat hill block G04A).
- SMNE is 33,61 Ha (Kala hills and Tualan river).

7.12.3

Base on document submitted by Proforest namely RSPO No deforestation consultancy: high forest cover countries, Consultancy report on definitions and recommendations to the RSPO June 2018 as known not set HFCL for Indonesia.

7.12.4

The HCV management and monitoring implemented that taken by the management unit such as maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain

HCV security, species monitoring, enrichment in riparian. Management plan HCV 2020 and 2021 has developed in consultation with relevant stakeholders (The last forum group discussion on 6 December 2021) and covers areas consist of:

- Tumbang Sepayang Village	- Rantau Katang Village
- Gunung Makmur village	- Tumbang Mangkup Village
- Sungai Hanya Village	- Agung Mulya Village
- Mulya Agung Village	- Rantau Tampang Village
- Bhakti Karya Village	- Luwuk Kuwan Village
- Waringin Agung Village	- Tumbang Bajanei Village
- Buana Mustika Village	- Tumbang Boloi Village
- Tanjung Harapan Village	- Bukit Makmur Village
- Tumbang Sangai Village	- Wonosari Village
- Beringin Agung Village	- Tanjung Jorong Village

The company has implemented the HCV management in accordance with the management plan/ procedure for the period 2021 and 2022. The management plan is reviewed every year, for example, the review on period 2021 involved government, village heads, community leaders, traditional leaders, local communities around the operational area.

- The company has a report on the results of the Identification of Protected Areas and areas of high conservation value in 2012 carried out by the IPB Faculty of Forestry. HCV identification results covering an area of ± 693.48 Ha (Location Permit scope) include:
 - The river border covers an area of 588.32 Ha
 - Lake covering an area of 9.38 Ha
 - Springs covering an area of 25.6 Ha
 - Hill covering an area of 69.15 Ha
 - Corridor covering an area of 1 Ha
 - Sacred 0.03 Ha
- For the HGU Scope, the HCV area identified is ± 514.42 Ha
 - 337 Ha river border (already planted)
 - Hill covering an area of 177.42 Ha
- The HCV management plan contained in the management plan includes, among other things:
 - Boundary marking
 - Socialization
 - Identify land cover
 - Restoration
 - Monitoring
- The company shows plans for calendaring activities to review and update HCV documents. For PT KMB it is planned for July 2023

7.12.5

Based on the results of the study of the HCV identification document, it is known that there is no area needed by the community to fulfil basic needs. In addition, based on interviews with village officials, it is known that the community no longer fulfils their basic needs from the forest but from local markets. The livelihoods of the surrounding community include farming with rubber or oil palm plantations. Based on the results of field visits to scared tree and sacred stone, it also shows that there are still community activities that use the location as a place for cultural rituals, the condition of the location is also quite good and well-maintained by the management carried out by the company.

7.12.6

The Certification Unit already has an SOP for the HCV Management Program Number KMB-SUST-SOP-18 dated March 1, 2018, as well as a company policy on Protection of High Conservation Values which was ratified on June 1, 2016, by region head 2. The document states that in accordance with the principles of According to the company's sustainability principle, all employees are advised not to hunt, capture, kill and sell endangered protected animals and plants and report any such activities. Maintain and not disturb the area designated as HCV area and report any illegal acts. Employees who

do not comply will be subject to sanctions in accordance with applicable laws and regulations. The company also installs no hunting signboards with photos of species and sanctions for violating government regulations in all HCV areas.

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

<https://bumitama-agri.com/sustainability/environment/>.

The company have established HCV management plan and implemented it well. Regularly patrols record shown company has been monitored illegal hunting, and other illegal activities. All of records for daily patrols on each estate are available and verified by auditors.

7.12.7

The HCV management activities that taken by the management unit for period 2022 are maintain HCV attributes (HCV boundary, sign board), HCV socialization (community and worker), maintain HCV area, regular patrols for maintain HCV security, species monitoring, enrichment in riparian. The company has also submitted a report related to the biodiversity database and monitoring & management HCV of PT KMB to the Natural Resources Conservation Centre of Kalimantan Tengah Province dated 25 August 2022.

The company conducted a management review related to the management of the HCV area. The company has evaluated the results of management of river boundaries and HCV areas in 2022, among others, as input in the preparation of a management plan for the management and monitoring of HCV in 2023.

The management plan period 2022 is effectively and implemented based on the monitoring result implementation period 2020. The enhancement and result of the HCV / RTE monitoring review for the next HCV program. The review of the 2022 program, will become an HCV program in 2023, for example riparian re-marking, understanding of HCV officers and repaired of the HCV signboard.

7.12.8

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

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

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

Status: Comply

3.2 Conformity Checklist of Certificate and Trademark Use

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

3.3 Summary of RSPO Partial Certification.

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

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

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<p>PT Investa Karya Bhakti, NPP was completed for areal 5,700 Ha and publish on October 4th 2016.</p> <p>PT Gunajaya Harapan Lestari, there is no new planting after January 1st 2010.</p> <p>PT Windu Nabatindo Sejahtera, there is no new planting after January 1st 2010.</p> <p><i>Auditor verification</i> Based on internal audit, documented time of land clearing and liability disclosure sent to RSPO, there is new planting/land clearing after 1st January 2010 for PT Andalan Sukses Makmur and PT Investa Karya Bhakti but NPP has been conducted for these units. Evidence of submission to RSPO is provided and the NPP notification are at RSPO website.</p>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p>There is no land conflicts.</p> <p><i>Auditor verification</i> There is land conflicts and has been resolved with RSPO Grievance procedure or Dispute Settlement Facility.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p>There is labor disputes. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p><i>Auditor verification</i> There is labour dispute in uncertified unit i.e PT Bumitama Gunajaya Abadi. The dispute has been resolved as we can seen in RSPO website that the status of dispute in closed for monitoring.</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p>PT Langgeng Muara Makmur Sejahtera</p> <ul style="list-style-type: none"> Izin Prinsip Arahkan Lokasi No. 525.21/660/Ek.SDA/IX/2014 dated 12 September 2014 5,325 Ha Location Permit SK District Kotawaringin Timur No. 188.45/330/Huk-BPN/2014, 23 September 2014 5,370 Ha Environment Permit No. 660/2140/BLH-Ek.SDA/2015, 19 October 2015 for 5,325 Ha IUP No. 188.45/490/Huk-Ek.SDA/2014, 19 December 2014 4,810.72 Ha SK HGU No. 5/HGU/KEM-ATR/BPN/2017, January 10th 2017. <p>PT Andalan Sukses Makmur</p> <ul style="list-style-type: none"> Izin Prinsip Arahkan Lokasi SK District Kotawaringin Barat No.590/105/Pem-XI/2012, November 21 2012 for areal 9,000 Ha.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> Location Permit SK District Kotawaringin Barat No.525/68/XII/2012, December 18th 2012 for 9,275 Ha IUP No. 525/45/ek, 06 February 2013 HGU on process. <p>PT Investa Karya Bhakti</p> <ul style="list-style-type: none"> Izin Prinsip Arahan Lokasi No. 590/09.Pem-II/2014, 3rd February 2014 for areal 14,500 Ha. Location Permit SK District Kotawaringin Barat No. 525/62/IX/2014, 1st September 2014, 11,746.74 Ha IUP No. 525/014/EK, April 21 2015, 5,700 Ha <p>PT Rohul Sawit Industri and PT Masuba Citra Mandiri</p> <ul style="list-style-type: none"> HGU on process Panitia B Inti No. 03/RSL/HGU/2015 seluas 1,893.11 Ha Panitia B Plasma No. 04/RSL/HGU/2015 seluas 938,16 Ha <p>PT Gunajaya Harapan Lestari</p> <ul style="list-style-type: none"> Izin Prinsip Arahan Lokasi No. 525/426/Bappeda-D year of 2007, 08 May 2007 for areal 3,000 Ha. Location Permit SK District Kendawangan No. 265 year of 2007, 28 June 2007 for 3,000 Ha Revision Location Permit No. 370 year of 2008, 07 October 2008 for 3,000 Ha Extention Location Permit No. 415 year of 2010, 27 July 2010 for 3,000 Ha IUP No. 365/DISBUN-D/2012, August 23rd 2012 for 1,750 Ha HGU No. 62/HGU/KEM-ATR/BPN/2016, 1,973.45 Ha <p>PT Windu Nabatindo Sejahtera</p> <ul style="list-style-type: none"> Izin Prinsip Arahan Lokasi No. 02.04.28/525.26/463/XI/Ekbang/03, 8th November 2003 for areal 7,000 Ha. Location Permit SK District Kotawaringin Timur No. 165.460.42, 26 February 2004 for 5,370 Ha IUP No. 525.26/152/V/Ekbang/2004, 17 May 2004 for 5,370 Ha Permit Location No. 374.460.42, December 13 2006 for 5,000 Ha (Revision) IUP No. 525.26/386/V/Ekbang/2007, May 30th 2007 for areal 5,000 Ha (Revision)

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> Kadastral Map No. 355-15.05-2007, July 6th 2007 for areal 4,998.76 Ha Surat Permohonan HGU 003/WNS-Dir/VII/2007, July 11th 2007 for areal 5,000 Ha. <p>PT Windu Nabatindo Abadi</p> <ul style="list-style-type: none"> Sertifikat HGU No. 37/HGU/BPN RI/2014 seluas 1,987.8 Ha Sertifikat HGU No. 48/HGU/KEM-ATR/BPN/2015 tanggal 20 Mei 2015 seluas 5.773 Ha <p>PT Nabatindo Karya Utama</p> <ul style="list-style-type: none"> Sertifikat HGU No. 17/HGU/KEM-ATR/BPN/2016 tanggal 07 April 2016 seluas 3,298.63 Ha <p>HGU on process for Ladang Sawit Mas, PT Lestari Gemilang Intisawit, PT Agro Manunggal Sawitindo, PT Karya Makmur Langgeng, and PT Gemilang Makmur Subur</p> <p><i>Auditor verification</i> Land legal process is still going on and there is a detail update progress documented by the company for each year.</p>

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

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

NCR No.	:	2022.1	Issued by	:	Yudhi Yuniarto Tallutondok/ Firda Tarunajaya
Date Issued	:	13 Sept 2022	Time Limit	:	22 September 2023
NC Grade	:	Minor (Raised to Major)	Date of Closing	:	20 September 2023
Standard Ref. & Requirement	:	2.2.2 All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.			
Evidence observed (filled by auditor): The certification unit shows a list of FFB suppliers that are still active in 2022, for example CV Borneo Mitra Sejati, KUD Waringin Jaya and Suhanto. The certification unit in this case shows the work contract documents with the certification unit for each FFB supplier in which each contract contains the fulfilment of legal obligations including: a. Provision of PPE for employees. b. Include employees in the BPJS Employment/Health program. c. Receive wages in accordance with the provisions of the City/ Regency Minimum Wage. d. Do not employ workers under 18 years of age. Based on document verification show that each FFB supplier has good documentation related to the Work Agreement (SPK) with the certification unit. However, the certification unit has not been able to show evidence regarding the provision of PPE, payment of wages, and payment of BPJS for contractor employees.					
Non-Conformance Description (filled by auditor): In this case, the certification unit has not been able to show evidence regarding the fulfilment of relevant legal obligations for all FFB suppliers.					
Root Cause Analysis (filled by organization audited): Lack of coordination between regional sustainability and commercial parties regarding requests for data on fulfilling relevant legal obligations for FFB suppliers					
Correction (filled by organization audited): 1. Coordinate with commercial parties regarding the required data 2. Fulfillment of data on legal compliance obligations					
Auditor Response: The company has not shown improvement in the previous assessment discrepancy, in the form of fulfilling the obligation data for CV Borneo Mitra Sejati, KUD Waringin Jaya and Suhanto					
Corrective Action (filled by organization audited): Monitoring again through internal audits and management review meetings with commercial parties					
Auditor Response: Please review again according to the determination of the root cause analysis					
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification ASA-1.4 The company made improvements during ASA-1.4, but there is still evidence that has not been fulfilled. In addition, the auditor team has also verified several other contractors and the results of the auditor's verification obtained the following evidence: A. SMNE					

PT KMB has a collaboration with the contractor with the initials RR for the EFB and Compost Application as stated in Agreement Letter No. PRWTNKMBL-SMNE/LOKAL/05/2023 on 15 May 2023. The Agreement Letter stated several things, including:

- Article 3, PPE equipment: Helmets, Cloth Gloves and Boots
- Article 5, guaranteeing BPJS Health and Employment, wages according to the UMK & UMP, not employing workers under 18 years old

The company also showed the Agreement Letter on 16 May 2023, namely the Agreement Letter for the collaboration of EFB and Compost between the contractor with the initials RR and the worker with the initial SU.

In addition, the company showed the Empty/Compost Contractor Evaluation Form on May 19, 2023 with a score of 71, which means it is recommended to continue working with the company, but with a note (more intensive monitoring). The criteria evaluated include:

- Manpower Aspect, with the criteria assessed, namely age over 18 years, according to SPK and not having health and employment insurance. The contractor gets a score of 0 because it does not fulfil the employment aspect
- PPE aspect: with the results of observations in the field that the contractor does not use complete PPE while working. The contractor gets a score of 0

In cases of non-compliance with the obligations that must be fulfilled by the contractor, on June 21, 2023 the company gave a letter of warning to the Contractor that the contractor workers were not wearing PPE such as helmets, cloth gloves and boots while working in the field. In addition, it does not provide work safety facilities, namely Social Assurance.

On June 21, 2023, the contractor made a letter of reply to the warning and stated that the contractor agreed to provide PPE for members in the field such as helmets, gloves and boots. In addition, the contractor will provide Social Assurance facilities to its management approximately 3 months after this letter is issued

Based on the results of observing the work of the application for empty sheets in block Q03 Division 3 SMNE, it is known that all workers are not wearing PPE while working. In addition, there is one worker with the initial D with a date of birth November 10, 2006 (\pm 16 years old and 7 months)

B. GMKM

At Gunung Makmur Mill there are several contractors including PT Prima Sawit Teknik Berjaya (PT PSB), which is the contractor for the Cyclone Fiber structure work. The auditor made field observations at GMKM.

Based on the results of interviews with contractor workers in the field, it is known that there is no written agreement between PT PSB and its workers. The correspondent also stated that he was not included in the Health Assurance and Social Assurance programs.

In addition, PPE in the form of safety shoes is the result of buying it yourself and working wages of Rp. 100,000/day. Until the Audit activities are completed, there are no documents showing compliance with the fulfilment of the contractor's obligations to its workers.

In addition, at GMKM there is a contractor on behalf of CV Catur Borneo Abadi (CV CBA), namely the contractor for Freight Services, based on the results of interviews with contractor representatives, information was obtained that CV CBA has 15 Units operating at KMB. The results of the interview revealed that so far there has been no work agreement letter between CV CBA and its workers. In addition, not all workers are included in the Social Assurance and Health Assurance programs. Until the Audit activities are completed, there are no documents showing compliance with the fulfilment of the contractor's obligations to its workers.

Based on the description above, the Company has not been able to provide comprehensive evidence regarding third party compliance with legal obligations, including work agreements, minimum wages, social security participation, OHS (fulfilment of PPE) and the minimum age for workers, this is a non-compliance. This discrepancy is repeated so that the non-compliance status raised to Major.

Auditor Verification on 08 September 2023

The company has determined the root of the problem, corrective action and determined preventive action, but there are still auditor responses that still require explanation. Apart from that, the Company has shown evidence of other improvements, namely:

A. SMNE

1. EFB Work Agreement made on May 15 2023 between the contractor and his workers (Dadang, Juanda, Nandar, Rijal S, Riki Heru P, Sansan, and Sutiana)
2. Letter of warning from PT KMB management (Estate Manager SMNE) made on June 21 2023 to the contractor (Rahmat Rafiyanto) regarding completeness of PPE, Social Assurance membership and workers under 18 years old
3. Statement letter from the contractor (Rahmat Rafiyanto) made on June 21 2023 that he will provide his workers with PPE, Social Assurance and lay off his workers under 18 years old
4. Evaluation of the Contractor (Rahmat Rafiyanto) on 22 June 2023 which stated that the contractor was not recommended for reuse
5. HSE inspection checklist on the Estate on 22 June 2023 which states that compliance with the rules is 43%, (value 50%) so that it is in the "Danger" category
6. "Corrective and Preventive Action Form" on June 22 2023 states that a contractor evaluation, HSE inspection of the contractor and termination of the SPK contract has been carried out.
7. Notification Letter No. 028/KMB-SMNE/LOKAL/VI/2023 dated 24 June 2023 that PT KMB SMNE Estate terminated the SPK contract for the EFB Application
8. Socialization of HSE, PPE, Human Rights and Employment Policies on 19 May 2023 which was attended by 8 employees of the empty-line contractor

B. GMKM

1. PT Prima Sawit Teknik Berjaya (PT PSB)
 - PT KMB shows Work Agreement Letter with PT Prima Sawit Teknik Berjaya on June 16 2023, 3 Stage Hydrocyclone Revitalization at Kernel Station
 - Notification Letter No. 001/KMB-GMKM/LOKAL/VII/2023 dated 10 July 2023 concerning PT PSB's first evaluation regarding employee participation in the Health Assurance and Employment, Minimum Wage and PPE programs, but violations were still found so they were given time for correction until 27 July 2023
 - Notification Letter No. 002/KMB-GMKM/LOKAL/VII/2023 dated 27 July 2023 regarding the second evaluation that PT PSB has not been able to show improvements
 - Notification Letter No. 003/KMB-GMKM/LOKAL/VII/2023 dated 9 August 2023 concerning the third evaluation which decided that PT KMB terminated the SPK contract for the revitalization of kernel stations with PT PSB
 - Minutes of the PT KMB P2K3 Meeting on July 3 2023 which was attended by 19 PT KMB employees, including discussing the company's performance in fulfilling and implementing OHS aspects
2. CV Catur Borneo Abadi (CV CBA)
 - CV CBA shows 3 examples of employee wage slips for July 2023 with values above the minimum wage
 - CV CBA shows 3 examples of Employment Agreement Letters with employees dated 23 June 2023
 - CV CBA shows a list of 3 employees
 - CV CBA shows proof of payment for Social Assurance and Health Assurance for the period August 2023 for its employees
 - CV CBA shows details of Social Assurance contributions

The company has not shown improvement in the previous assessment discrepancy, in the form of fulfilling the obligation data for CV Borneo Mitra Sejati, KUD Waringin Jaya and Suhanto. Based on the description above, this discrepancy has not been fulfilled.

Auditor Verification on 20 September 2023

The company has provided further explanation regarding the root of the problem, corrective action and determination of preventive action so that it can be accepted by the Auditor. In addition, the Company has shown evidence of

correcting the discrepancies in the previous assessment, in the form of fulfilling the obligation data for CV Borneo Mitra Sejati, KUD Waringin Jaya and Suhanto, as follows:

1. Employee of CV Borneo Mitra Sejati
 - 2 Social Assurance Cards in the names of Exsad Bawono and Asep Sahrul
 - Salary slips for CV Borneo Mitra Sejati employees above the minimum wage in the names of Exsad Bawono and Asep Sahrul
2. Waringin Jaya KUD
 - Social Assurance Card in the name of Muhamad Ali Sopan
 - Healthy Assurance in the name of Muhamad Ali Sopan
 - KUD Waringin Jaya Employee Salary Slip above the minimum wage in the name of Muhamad Ali Sopan
3. Suhanto
 - Social Assurance Card in the name of Adi Prayitno
 - Health Assurance Card in the name of Adi Prayitno
 - Suhanto Contractor Employee Salary Slip above the minimum wage in the name of Adi Prayitno

Based on the description above, this discrepancy has been fulfilled

Verified by	Firda Tarunajaya
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NCR No.	:	2022.2	Issued by	:	Yudhi Yuniarto Tallutondok/ Firda Tarunajaya
Date Issued	:	13 Sept 2022	Time Limit	:	22 September 2023
NC Grade	:	Minor (Raised to Major)	Date of Closing	:	23 Juni 2023
Standard Ref. & Requirement	:	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.			
Evidence observed (filled by auditor): The certification unit shows a list of FFB suppliers that are still active in 2022, for example CV Borneo Mitra Sejati, KUD Waringin Jaya and Suhanto. The certification unit in this case shows the work contract documents with the certification unit for each FFB supplier in which each contract contains the fulfilment of legal obligations including: <ul style="list-style-type: none">a. Provision of PPE for employees.b. Include employees in the BPJS Employment/Health program.c. Receive wages in accordance with the provisions of the City/ Regency Minimum Wage.d. Do not employ workers under 18 years of age. Based on document verification show that each FFB supplier has good documentation related to the Work Agreement (SPK) with the certification unit. However, the Work Agreement does not cover the prohibition of forced labor or workers from human trafficking.					
Non-Conformance Description (filled by auditor): In this case, the certification unit has not been able to show evidence that all contracts with contractors including FFB suppliers have included a prohibition on forced labor or workers from human trafficking.					
Root Cause Analysis (filled by organization audited): Lack of monitoring from the unit and lack of knowledge from several staff/PICs regarding the new EHS and the need to refresh training related to PPE in accordance with HIRAC					
Correction (filled by organization audited): <ul style="list-style-type: none">1. Refresher training was carried out regarding the use of PPE2. IOM made a confirmation from RH as management at PT KMB regarding the correct use of PPE					

3. Providing PPE that does not meet standards
Corrective Action (filled by organization audited): Regular monitoring is carried out and evaluation is carried out through internal audits and management review meetings
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification on June 23 rd , 2023 The company has determined root cause analysis, repair of non-conformities and prevention plans for these non-conformities. Apart from that, the company has shown evidence of improvements to the agreement letter, including agreement letter of transactions FFB No. 012/SPKL/GMKM/TBS/XII/2022 in the name of KUD Waringin Jaya, agreement letter of transactions FFB No. 022/SPKL/GMKM/TBS/XII/2022 in the name of Suhanto and Agreement letter of transactions FFB No. 005/SPKL/GMKM/TBS/XII/2022 in the name of Suparno and the agreement letter includes the prohibition on forced labor or workers from human trafficking. The company has also shown evidence of monitoring and evaluation through internal audits and management review meetings which are held periodically. Based on this description, this nonconformity has been fulfilled.
Verified by : Firda Tarunajaya

NCR No.	:	2022.3	Issued by	:	Moh Arif Yusni
Date Issued	:	13 September 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	23 June 2023
Standard Ref. & Requirement	:	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1			
Evidence observed (filled by auditor): Based on documents verifications it was known there are 34 FFB suppliers as well as collections points which deliver of FFB to Gunung Makmur mill. Regarding FFB from outside suppliers, the company has not been able to show the minimum information related to the legality of FFB including					
1. Geolocation information from FFB origin					
2. Proof of ownership status or rights/claims to land by growers/farmers					
3. a valid planting/operation/trading permit for the purchase and sale of FFB (where made					
Non-Conformance Description (filled by auditor): the company has not been able to show sufficient evidence related to indirect FFB traceability documentation					
Root Cause Analysis (filled by organization audited): Lack of coordination with regional GIS related to updating GMKM Supply Base supply chain data					
Correction (filled by organization audited):					
• Coordination with GIS to fulfil FFB geolocation documents					
• Fulfilment of FFB geolocation information documents					
Corrective Action (filled by organization audited): Carrying out monitoring and reviews through internal audits and management review meetings					
Assessor Evaluation and Conclusion (filled by auditor):					
Auditor Verification on ASA 1.4 The company has been able to show evidence of improvement in the form of:					
• Distribution map of core FFB suppliers and third party FFB suppliers. The map explains the coordinates of the FFB supplier, the name of the FFB supplier, and the distribution of FFB supplier locations.					
• Legality documents for external FFB supplier land entering the BMKM. The document explains the number of					

collectors/agents, the number of farmers from each collector/agent, proof of land ownership of the farmers, and the coordinate points. Apart from that, for FFB from other companies, the company can also show proof of coordinates, area size, and related permits such as IUP and NIB.

- Root problem analysis, correction, and corrective action.

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

Verified by	Rahmat Abdiansyah
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NCR No.	: 2022.4	Issued by	: Radytio Puspanjana
Date Issued	: 13 September 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.		

Evidence observed (filled by auditor):

The environmental management and monitoring plan (the scope of PT KMB estate) is described in the 2002 RKL-RPL document with the following details:

AMDAL 2002 (PT KMB)	Implementation and Monitoring Period
<ul style="list-style-type: none"> • Microclimate and air quality • Soil erosion • Hydrology and water quality degradation of the Mentaya river • Wildlife and aquatic biota • Population • Socio-economic • Socio-cultural • Public health • Education 	<p>Construction to post construction (operation) at least every 6 months.</p> <p>Construction at least every 6 months.</p> <p>Construction to post construction (operation) at least every 6 months.</p> <p>Wildlife at least once a year, while for aquatic biota at least once every 3 months.</p> <p>Post construction (operation) at least once a year</p> <p>Post construction (operation) at least every 6 months.</p> <p>Post construction (operation) at least every 3 months.</p> <p>Post construction (operation) at least once every 6 months or once a year</p> <p>Post construction (operation) at least once a year</p>

Based on the results of interviews, document studies and field visits, it is known that in SMNE and GMKE there is replanting, related to this the company conducts a study of significant impacts that will arise from replanting activities compiled in 2022, for example:

- Soil erosion
- River sedimentation
- Microclimate
- Aquatic biota
- Socio-cultural
- Flood Monitoring
- Drought Monitoring
- Air quality

- Land fires
- Employment Opportunity
- Opinions and business opportunities

Based on the results of the verification report on the implementation of the RKL-RPL in semester 1 of 2022, not all significant impacts have been managed and monitored, which are described in the report, as required in the 2002 AMDAL document, namely for significant impacts:

- Micro Climate
- Aquatic biota
- Socio-economic
- Socio-cultural.
- Impact of replanting

Non-Conformance Description (filled by auditor):

The company has not been able to show all evidence that the implementation of environmental management & monitoring is in accordance with the prepared program.

Root Cause Analysis (filled by organization audited):

Correction (filled by organization audited):

Corrective Action (filled by organization audited):

Assessor Evaluation and Conclusion (filled by auditor):

Verified by

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NCR No.	:	2022.5	Issued by	:	Moh Arif Yusni
Date Issued	:	13 September 2022	Time Limit	:	12 December 2022
NC Grade	:	Major	Date of Closing	:	03 December 2022
Standard Ref. & Requirement	:	3.6.1 All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.			
Evidence observed (filled by auditor):					
The results of the verification of company documents have identified health problems and occupational accidents (K3) in all operating activities as stated in the Risk Identification document for the 2022 period. In this document the company has determined potential hazards and their control measures. The Risk Identification has also been socialized to employees, for example on June 20, 2022 and in the form of posting warnings, briefing before work, and other socializations.					
The results of field verification and worker interviews revealed that there are several mitigation plans and procedures that have not been fully implemented and implemented at the operational level, for example:					
<ul style="list-style-type: none">Gunung Makmur Mill: some employees do not use adequate PPE or are damaged, for example at Press Stations, WWTPs, and land application operator.Sungai Mentaya Estate: there are spray workers who do not use PPE in accordance with risk identification, namely not wearing a face shield helmetBukit Damai: harvest workers, FFB loading workers do not use appropriate PPE and generator operators are not equipped with ear protection and gloves.					

Non-Conformance Description (filled by auditor): There is not enough evidence that mitigation plans and procedures have been implemented in all operating units	
Root Cause Analysis (filled by organization audited): Lack of monitoring from the unit and lack of knowledge from several staff/PICs related to the new HSE and the need to refresh training related to PPE in accordance with HIRAC	
Correction (filled by organization audited): <ul style="list-style-type: none"> Conducting refresh training related to the use of PPE IOM made an affirmation from RH as management at PT KMB regarding the use of PPE with care Provision of PPE that does not meet standards 	
Corrective Action (filled by organization audited): Regular monitoring and evaluation is carried out through internal audits and management review meetings.	
Assessor Evaluation and Conclusion (filled by auditor): Verify 03 December 2022 Evidence of improvement can be shown in the form of: <ul style="list-style-type: none"> Internal Office Memo No 01/IOM-LMB/IX/2022 dated 19 September 2022 regarding the affirmation of PPE discipline and monitoring of PPE compliance. Minutes of IOM socialization on the use of PPE to BDME staff and employees on 06 October 2022 and at SMNE on 01 November 2022 and at GMKM on 01 October 2022 Minutes of inspection of warnings related to discipline in the use of PPE in BDME on 20 September 2022 Minutes of employee PPE replacement at GMKE on 30 September 2022 Minutes of employee PPE replacement at BDME on 10 September 2022 Minutes of employee PPE replacement at BDME on 12 and 13 September 2022 Inspection on the use of PPE in mills and plantations, for example on 1 November 2022 OHS committee meetings at plantations and mills, for example on 14 September 2022 with discussion material, one of which is related to the use of PPE and the implementation of OHS compliance Minutes of posting warnings related to discipline in using PPE at BDME estates on 25 September 2022 Minutes of posting warnings related to discipline in using PPE at the SMNE estate on 29 November 2022 <p>Regarding the proof of improvement submitted, the discrepancy in this indicator is stated to have been fulfilled and will be re-verified at the time of the next assessment</p>	
Verified by	: Moh Arif Yusni / Harry Wahyudi

NCR No.	:	2022.6	Issued by	:	Radytio Puspanjana
Date Issued	:	12 September 2022	Time Limit	:	Next Surveillance
NC Grade	:	Minor	Date of Closing	:	03 December 2022
Standard Ref. & Requirement	:	7.3.2 Proper disposal of waste material, according to procedures that carefully understood by workers and managers, is demonstrated.			
Evidence observed (filled by auditor):					
Related to waste management, it is regulated in the following procedures: Domestic Waste The company has a domestic waste management SOP document Number BGA-SOP-KMB 001 dated 28 June 2012, the procedure regulates:					
<ul style="list-style-type: none">• Every housing, office, public facility must be provided with a trash can of strong material, not leaking, all trash cans must be identified and labeled as trash cans.• Temporary landfill is a place to temporarily collect waste from housing before going to final disposal.• All employees who are in office housing are required to dispose of waste in the trash cans provided.					

- Estate manager, Mill manager and Head of Administration are responsible for the procurement of cleaners and in their respective work environments.
- Collection and transportation must be provided according to the schedule that has been made in order to avoid accumulation in each area.
- All waste in each work area is sent to the landfill according to the schedule made by the Head of Section. The form is attached to the procedure.

Recording and reporting.

- Every waste sent from trash can to landfill must be recorded the amount and type of waste on the form attached to the SOP.
- Section head collects all waste delivery reports and collects it into a folder and keeps it in the document control room for further use.
- Estate manager, mill manager and coconut administration are responsible for the implementation of this activity.

Hazardous Waste Procedure

The company has hazardous Waste Management regulated in SOP BGA-SOP-CCS-1101.1 RO dated August 22, 2011 which explains that hazardous waste generated by the operational activities of the Plantation and Mill such as used packaging contaminated with hazardous such as used oil drums, used paint buckets, chemical cleaning buckets Mill water, used pesticide packages are stored in the hazardous Waste Temporary Storage and then transported by licensed carriers.

Furthermore, related to the implementation of the procedure based on the results of field visits, it is known that:

1. Domestic waste management
 - Domestic waste of GMKM housing is disposed of behind the house and next to the housing.
 - Domestic waste is burned at the GMKM Mill Housing.
 - Drainage in the SMNE divisions 1 and 2 housing is not optimal or clogged.
 - There are traces of domestic waste burning in the housing divisions 1 & 2 of GMKE.
 - Domestic waste the housing area of BDME Division 1 is disposed of behind the house and next to the housing.
 - Domestic waste the housing area of GMKE division 3 is disposed of behind the house and next to the housing.
2. Hazardous waste management
 - Utilization of hazardous Waste (Nalco), used paint buckets, used oil drums in the GMKM Mill Housing as water reservoirs.
 - Hazardous waste such as used pesticide jerry cans, oil filters, used oil, pesticide sprayers, used oil drums are placed behind the BDME Division 1 housing next to the generator house, and in the same location there is also the use of hazardous waste pesticide used as a diesel fuel reservoir.
 - Hazardous waste such as used oil filters are placed next to the generator house behind the GMKE division 3 housing and in the same location there is also the use of used pesticide Hazardous waste as a diesel reservoir, behind the generator operator's house there is Hazardous waste such as used oil drums, used pesticide packaging stored in use it as a solar collector, the results of the interview of the used packaging were obtained from the Block Spraying System house.

Non-Conformance Description (filled by auditor):

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

Root Cause Analysis (filled by organization audited):

1. The program for cleaning domestic waste and hazardous waste in employee housing already exists but has not been implemented consistently.
2. Housing cleaning activities have not involved all levels together, from the employee level to the unit head.

Correction (filled by organization audited):

<ul style="list-style-type: none"> - Make an IOM confirmation from the Regional Head of PT KMB management regarding waste management - Conduct socialization related to IOM Waste Management - Carry out cleaning activities in residential areas. - Conduct regular inspections 	
Corrective Action (filled by organization audited): <ul style="list-style-type: none"> - Make a schedule of socialization related to the domestic waste cleaning program, the prohibition of burning waste and the prohibition of the use of hazardous waste in housing. - Monitoring clean Friday activities once a week. - Make a monitoring schedule for waste transportation once a week - Conduct OHS and environmental inspections, inspections of the employee housing environment and landfill once a month. - Monitor the implementation of the Joint hygiene program and evaluate it in internal audits and management review meetings. 	
Assessor Evaluation and Conclusion (filled by auditor): Verify 03 December 2022 Evidence of improvement can be shown in the form of: <ul style="list-style-type: none"> • Internal Office Memo No 02/IOM-KMB/IX/2022 dated 19 September 2022 regarding the affirmation of domestic and hazardous waste management . • Weekly housing cleaning schedule at GMKE where mutual assistance for housing facilities will be carried out once a week (on Fridays) • Minutes of garbage cleaning activities in each housing, for example at GMKE, for example, on September 23, 2022 - Monitoring OHS at GMKE, for example on 06 October 2022. • Shown a checklist of technical guidelines for the implementation of the OHS management system at GMKM. • Socialization by IOM on PPE discipline and IOM on waste management at SMNE on 24 October 2022 and 24 September 2022 at GMKM. <p>Related to the proof of improvement that was sent for non-compliance with this indicator, it was stated that it had not been fulfilled, the company needs to complete it.</p> <ul style="list-style-type: none"> • Evidence of IOM socialization related to waste in BDME and BMKE • Waste management / cleaning schedule at BDME, SMNE and GMKM. • Monitoring / routine inspection of waste at BDME and SMNE. 	
Verified by	: Moh Arif Yusni / Radytio Puspanjana

NCR No.	:	2022.7	Issued by	:	Radytio Puspanjana
Date Issued	:	13 September 2022	Time Limit	:	Next Surveillance
NC Grade	:	Major	Date of Closing	:	23 Juni 2023
Standard Ref. & Requirement	:	7.12.8 If there is land clearing that has not been preceded by an HCV assessment since November 2005, or that has not been preceded by an HCV-HCSA assessment since November 15, 2018, the Remediation and Compensation Procedure (RaCP) applies.			
Evidence observed (filled by auditor): Based on the results of document verification, it is known that the company cleared new land after November 1, 2005 without prior HCV identification activities, HCV identification activities were carried out in 2012. Based on plantation management information and a review of the hectare's statements, it was found that there was no additional planting or expansion of the plantation operational area after November 15, 2018. However, the					

Company cleared land after November 2005 without prior HCV assessment so that remediation and compensation procedures apply. Based on the results of the previous audit, the company explains the land used change analysis with the following explanation:

- HCV Assessment Date Sept-October 2011.
- Land clearing prior to the November 2005 - September 2010 HCV assessment.
- The total area of the management unit is 15,056 ha.
- The total raw area is 5,268 ha.
- The total area of conservation responsibility is 1,855 ha (net area of 856 ha)
- E-mail evidence from the RSPO Compensation RSPO Executive to the Head of Sustainability BGA dated 25 April 2016 informing that the LUCA report has been received and declared as PASS.
- An email from RSPO (@rspo.org) dated 27 May 2019 informed that "kindly note that there is a land liability issue for this certified unit where the compensation plan has yet to be endorsed.
- The company can show evidence of communication between the BGA and the RSPO regarding the completion of the RaCP which is carried out regularly from March to June 2021. The results of the last communication with the RSPO are based on an email from aryo.gustomo@rspo.org on 17 June 2021, which is in an email The statement describes internal inspections and discussions at the RSPO Integrity Unit, decided to grant Conditional Approval with a maximum time of 16 December 2021, i.e. 6 months from the date of the email for Companies under the BGA group to continue annual surveillance audits to continue and allow all ongoing progress of the RaCP process is completed by the Company as quickly as possible. Conditional approval.
- In the ASA 1.3 activity, the company again showed the Compensation Plan process for BGA on behalf of PT BGA, according to the email from the RSPO dated 10 February 2022 which explained that the certified management unit allowed to complete the RaCP process and continue the annual supervisory assessment (conditional approval). This conditional approval will only be valid for 6 months from the time the email is sent (10 February 2022).

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

Non-Conformance Description (filled by auditor):

Until the surveillance audit-1.3 activity is carried out, the Company has not been able to demonstrate that the HCV compensation Plan (RaCP) has been accepted by the RSPO but in accordance with the RSPO announcements on 08 September 2021 regarding Disclosure and Continuity of Certification for RSPO P&C and RSPO ISH Standard surveillance activities can be continued with non-compliance with indicator 7.12.8 is issued and can be opened until the next surveillance activity.

Root Cause Analysis (filled by organization audited):

The HCV Compensation Panel took a long review process regarding the approval of the PT KMB HCV Compensation Panel.

Correction (filled by organization audited):

Provide recorded evidence/documents related to the ratification of PT KMB's RaCP by the RSPO Secretariat

Corrective Action (filled by organization audited):

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

Assessor Evaluation and Conclusion (filled by auditor):

Verification on ASA 1.4

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

Type of compensation	Hectare to hectare- The compensation plan for the FCL identified across 17 management units proposes compensation through ex-situ management of co-managed social forestry areas allocated to 2 distinctive village management units.
Location(s) of the project	Hutan Desa Belaban Tujuh – desa Sungai Melayu, Hutan Desa Gunung Tarak – desa Simpang Tiga Sebelangaan
Expected compensation area	7,708 hectares (6,881.86 ha is for this batch and another 824.38 ha compensation area to be included later for PT GHL and PT TTL extension)
<p>In regards to the total expectation of the compensation area will be 7,708 ha, however the total of collective for this compensation plan FCL is only 6,881.86 ha, therefore just to inform that the company planning to use this another 824.38 ha compensation area is reserved is to be adopted later for PT GHL and PT TTL extension which also under Bumitama. Hope this explained the blue quote in above summary. The company can also show evidence that PT KMB is included in the 17 Management units referred to in the RaCP.</p> <p>Based on this evidence, the discrepancy in this indicator is declared to have been fulfilled.</p>	
Verified by	: Rahmat Abdiansyah

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

NCR No.	: 2023.1	Issued by	: Firda Tarunajaya
Date Issued	: 23 June 2023	Time Limit	: Next Surveillance (recommended 21 September 2023)
NC Grade	: Minor	Date of Closing	:
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): Guidelines for the 2018 RSPO Principles and Criteria Matric Template Code Document RSPO-GUI-P03-003 V1 IND, explained in indicator 3.0 regarding Metric Data Flow that: <ol style="list-style-type: none">1. Required metrics are recorded by the unit of certification using the RSPO P&C Matric Template, which can be downloaded from the RSPO website.2. The completed RSPO P&C Matric Template will be submitted by the certification unit to the CB prior to the audit.3. The completed RSPO P&C Matric Template will be verified by the auditor regarding its completeness and reliability (validity) during the audit.4. The verified Matric Template will be uploaded by the Certification Body on the RSPO TI Platform.5. The uploaded Matric Template will be checked for completeness by the RSPO Secretariat before being approved.6. Upon approval, an audit report, including a verified RSPO P&C Matric Template, will be issued by the Certification Body/auditor for the unit of certification			
Based on the description above, until the time limit for this Audit assessment activity, the unit of certification has not filled out and submitted the metric template to the Auditor. NC 2023.01 with Minor Category			
Non-Conformance Description (filled by auditor): The unit of certification has not been able to show a metric template as part of the continuous monitoring and improvement process			
Root Cause Analysis (filled by organization audited): Due to block changes that affect the composition of the area of each estate			
Auditor Response: Why do block changes because template metrics not to be submitted to the Auditor until the Audit assessment limit?			
Correction (filled by organization audited): Update the metric template and send the updated Metric Template to CB			
Auditor Response: Updated metric templates must include all existing data sources, for example Labor Data according to the input period, etc.			
Corrective Action (filled by organization audited): Determining the sustainability region as the PIC ensures that the Metric Template data has been updated and can be sent before the audit begins			
Auditor Response:			

Corrective Action can be determined after re-analyzing the root source of the problem, so that this non-conformity does not happen again.	
Assessor Evaluation and Conclusion (filled by auditor): The company has determined the root of the problem, correction and corrective action, but there is still an Auditor's response that requires further explanation. The company also shows evidence of other improvements, such as: <ol style="list-style-type: none"> 1. Basic Information about Gunung Makmur Mill updated May 2023 2. Mass balance data for the period December 2021-June 2023 3. Metric template version 2.1 Gunung Makmur Mill PT KMB <p>Apart from basic information and mass balance data, auditors need other data sources as a basis for inputting data into metric templates according to the specified period. Based on the description above, this discrepancy has not been fulfilled</p>	
Follow up on next audit (filled by auditor):	
Verified by	: Firda Tarunajaya

NCR No.	: 2023.2	Issued by	: Sentot Adi Subandono
Date Issued	: 23 June 2023	Time Limit	: 21 September 2023
NC Grade	: Major	Date of Closing	: 08 September 2023
Standard Ref. & Requirement	3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Evidence observed (filled by auditor): Chemical Management The results of the document review revealed: <ul style="list-style-type: none"> • The company has several OHS plans, one of which is listed in the SOP CCS (Corporate Communication and Sustainability) with code BGA-SOP-KMB 15-R0 approved by GMP (General Manager Plantation) and Area Controller regarding Procedures for Handling & Preventing B3 Spills revision 0 date April 15 2012, regulates, among other things, the control and handling of B3 spills/leaks so that they do not pollute the environment. • SOP for Management of Chemicals with code KMB-SUST-SOP-13 Revision 02 approved on 09 April 2022 regulates: <ul style="list-style-type: none"> - Designate areas for storing chemicals. - MSDS in Indonesian - Installation of symbol B3 - Must use PPE, at least a mask, rubber gloves, glasses and an apron. - Chemical storage areas are identified by signs indicating restrictions and potential dangers; have adequate ventilation; has a watertight floor, is not slippery, has no cracks, and forms a bermed retention area; designed to retain 110% of the largest container / 50% of inventory (depending on which is largest); and equipped with an MSDS which is placed adjacent to the material. - Storage conditions, if there is B3 that is not used up in one use, it must be isolated independently: only a small inventory in the process area. - B3 storage must use pallets/must not be directly exposed to the floor. - Spill containment and spill absorbent facilities must be provided. <p>The results of field observations are known</p> <ul style="list-style-type: none"> • GMKM: <ul style="list-style-type: none"> - WTP: no MSDS for Soda Ash and Aluminium Sulphate; there are no gloves. 			

- B3 Warehouse: Nalco's MSDS is in English; there is no MSDS of Soda As and Aluminium sulfate, there is no pallet
- Oil Warehouse: there is no SAE 10 W Oil MSDS
- **BDME:**
 - B3 Warehouse (BGS) Division 1 (storage of material requirements for 1 week): no warning about PPE that must be used, insufficient lighting, insufficient ventilation, storage mixed with chainsaw machines, MSDS Metaprima uses English, there is no MSDS primaguard, diesel, and weed solution.
 - BGS (Bumitama Ground System Management): there are items that are not B3 such as a pile of 15 bags of cement, more than 28 rolls of electrical cables, and 20 electrical installation hoses.
 - Division 1 generator house: there is no PPE warning that must be worn, there is a diesel tank with a capacity of 200 liters which is not equipped with spill containment facilities.
- **SMNE**
 - Results of field observations at warehouse B3 and Temporary storage hazardous and toxic waste, the shower emergency response facilities were not turned on.

The company showed evidence of improvements at BDME in the form of installing PPE warnings in the generator house, as well as showing a layout plan for repairs to the B3 warehouse. However, these improvements have not yet identified the root of the problem and corrective action so that this incident does not happen again.

Evaluation of Hazard Identification and Risk Assessment

- The company has several OHS plans, one of which is listed in the CCS SOP for Hazard Identification and Risk Assessment with code BGA-SOP-KMB 12 - R0 which was approved by GMP on 17 April 2012. It has been regulated that the review of hazard identification and risk assessment is at least 1 times a year.
- The company showed the HIRAC Estate Operation Area 2 evaluation document which was carried out in April 2023, which showed that there was discussion about slashers, but in HIRAC Estate in 2023 there was no discussion about slasher activities.
- As a result of field observations at BDME, it is known that there are owl and slasher cages where hazard and risk analysis has not been identified.
- The results of the document review also show that there is no identification of hazard and risk analysis which is not limited to HCV monitoring activities, HGU monitoring, HPT census, owl monitoring, waste disposal at Landfill, and fire tower monitoring.

Non-Conformance Description (filled by auditor):

Based on the observed evidence it is known that:

- The company has not been able to show evidence of implementation and monitoring of OHS plans to handle OHS risks to people in accordance with existing SOPs, especially in the management of chemicals.
- The company has not been able to show evidence of monitoring and evaluating the effectiveness of its OHS plan to handle OHS risks to people, especially in identifying hazard analysis and risk mitigation.

Root Cause Analysis (filled by organization audited):

1. Lack of control and monitoring from the management unit to ensure OHS implementation is in accordance with existing procedures.
2. Lack of control by sustainability staff to ensure all work and hazardous aspects have been included in the HIRAC assessment including risk mitigation

Correction (filled by organization audited):

- Fulfil chemical management in accordance with existing procedures::
GMKM:
 - a. Fulfilment of Indonesian MSDS and socialization such as at WTP (Soda Ash and Aluminium Sulphate), B3 Warehouse (Nalco, Soda Ash and Aluminium Sulphate) and Oil Warehouse (SAE 10 W Oil)
 - b. Providing pallets for aluminium sulfate
 - c. Providing rubber gloves for PAP officers

BDME:

- a. Fulfilment of Indonesian MSDS and socialization (Metaprima, Promaguard, diesel and weed solution)
- b. Separation of non-B3 goods (15 bags of cement, 28 rolls of electrical cables and 20 electrical installation hoses)
- c. Installation of PPE warnings in generator houses, 200 liter diesel tanks are not equipped with spill containment facilities

SMNE :

Repair emergency response facilities at the B3 warehouse and LB3 TPS which are not functioning

- Conduct HIRAC evaluations and add aspects/work related to slashers, owl monitoring, HCV monitoring, HGU monitoring, HPT census, waste disposal at Landfill as well as construction of fire towers and use of fire towers
- Creating a monitoring/inspection program to ensure OHS implementation is in accordance with existing procedures

Corrective Action (filled by organization audited):

Carry out monitoring through regular inspection activities according to the program and internal audits to ensure OHS implementation is in accordance with procedures.

Assessor Evaluation and Conclusion (filled by auditor):

Auditor Verification 05 September 2023

The company shows proof of correction, as follows:

- Minutes of the GMKM Monitoring Correction event on July 13 2023, namely installing MSDS Soda Ash, Aluminium Sulfate and SAE 10W Oil series, providing PPE in the form of rubber gloves and changing them every 6 months according to the existing PPE matrix and monitoring PPE every month .
- Minutes of the installation of pallets and arrangement of Soda As GMKM on pallets on June 26 2023.
- Minutes of the installation of Metaprima, Primaguard, diesel and Weed Solution MSDS at the BGS BDME warehouse on June 27 2023.
- Minutes of the transfer/retrieval of PLN goods from BGS's house on 04 July 2023 from BGS's house, including 15 bags of cement, ± 28 rolls of cable, 20 electrical installation hoses, 1 unit of chainsaw machine, etc.
- Socialization of appropriate MSDS and PPE for Primaguard, Metaprima, and Weed Solution on 06 July 2023.
- Report on training activities for handling and preventing B3 and LB3 spills on 26 July 2023 in Division 1 BDME, but the spill containment facilities for the 200 L capacity diesel tank in the Division 1 generator house have not been shown.
- Minutes of the installation of PPE warnings at the BGS warehouse and BDME Division 1 generator house on July 1 2023.
- Minutes of B3, LB3 Management Training and emergency response handling for SMNE employees, dated 01 July 2023.
- Minutes of shower repairs at Warehouse B3 and Temporary storage hazardous and toxic waste SMNE on June 30 2023.
- Record of the OHS inspection checklist at the SMNE B3 Warehouse on July 5 2023, including information that the eye wash is on and the first aid kit is complete.
- HIRAC update 03 July 2023, which has accommodated slasher work, Owl monitoring, HCV patrols, HGU stake monitoring, IPM census, rubbish disposal and fire patrols at the Api Tower.
- PT KMB's OHS Organization work program for the 2023 period, including a PHS patrol and inspection program which is planned to be implemented every month.

Auditor verification for proof of BDME correction, 05 September 2023:

- Warehouse B3 (BGS) Division 1: There has been no improvement regarding lack of lighting and lack of ventilation.
- The 200 liter diesel tank in the Division 1 generator house is not equipped with spill containment facilities.

Auditor's Conclusion, 05 September 2023

Root cause analysis, correction, and corrective action have been received. However, there is still some evidence of improvement that has not been shown, so the discrepancy is declared not yet fulfilled.

Auditor Verification 08 September 2023

The company has shown the P2K3 Meeting Minutes which discuss several matters related to HIRAC evaluation, inspections and contractors. The company also demonstrated its P2K3 program, including a program for K3L inspections.

Apart from that, the Company has shown evidence of other improvements, namely minutes of repairs to the ventilation and lighting of the BMS and BGS BDME houses as well as repairs to the 200 liter diesel tank spill containment facility in the Division 1 generator house.

Based on the description above, this discrepancy has 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	: Sentot Adi Subandono
Date Issued	: 23 June 2023	Time Limit	: 21 September 2023
NC Grade	: Major	Date of Closing	: 21 September 2023
Standard Ref. & Requirement	3.7.1 A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and out growers taking into account gender-specific needs, and which covers applicable aspects of P&C Principles, in a form they understand and includes assessment of the training.		
Evidence observed (filled by auditor):			
Boiler Operator			
<ul style="list-style-type: none">Minister of Manpower Regulation No. 01 of 1988, in attachment 1 it is explained that for steam boiler capacities >10 T/h - <20 T/h requires a class I operator of 1 person for each shift.GMKM field observation results show that the company has a boiler with a capacity of 20 tons/hour. It is known that Boiler Operators work 2 shifts. The results of interviews and document review show that each shift consists of 3 workers, so there are a total of 6 workers. From the results of interviews and document review, it is known that only 1 worker has taken part in class 1 Boiler Operator OHS certification training on 29 August 202 - 03 September 2023 with the initials Mkl and has been declared to have passed and is waiting for the certificate and license issuance process from the Ministry. The results of the interview with the PIC revealed that there was another participant from GMKM with the initials Shd, but the person concerned was not a worker at the Boiler station.			
Engine Room Operator			
<ul style="list-style-type: none">Minister of Manpower Regulation No. 38 of 2016 in Articles 110, 111 and Table E explains that for prime movers with a power of >214.47 HP, there must be 1 person each for class I and class II Engine Room operators.			
Gunung Makmur Mill			
<ul style="list-style-type: none">GMK POM field observation results show that the company has prime movers/turbine engines of 1,500 KW/2,011 HP and 1,100 KW/1,475 HP. It is known that the Engine Room Operator works 3 shifts.As a result of document review and interviews with workers and company representatives, it was discovered that there were 3 workers in the engine room for 3 shifts, with the initials Ed, SR, and Rb. The SIO PTP Class 1 Steam Turbine Operator with the initials SR has been shown which is still active until February 4 2028. Meanwhile for Ed and Rb the PTP license/program has not been shown.			

Bukit Makmur Mill

- GMK POM field observation results show that the company has prime movers/turbine engines of 1,500 KW/2,011 HP and 1,100 KW/1,475 HP. It is known that the Engine Room Operator works 3 shifts.
- As a result of document review and interviews with workers and company representatives, it was discovered that there were 3 workers in the engine room for 3 shifts, with the initials Ed, SR, and Rb. The SIO PTP Class 1 Steam Turbine Operator with the initials SR has been shown which is still active until February 4 2028. Meanwhile for Ed and Rb the PTP license/program has not been shown.

Non-Conformance Description (filled by auditor):

Based on this evidence, it is known that the company has not been able to show sufficient evidence of the availability of programs and their implementation for workers, such as:

1. Steam Aircraft Operators in accordance with Minister of Manpower Regulation No. 01 of 1988.
2. Power and Production Aircraft Operators in accordance with Minister of Manpower Regulation No. 38 of 2016.

Root Cause Analysis (filled by organization audited):

1. Lack of control from EHS Staff regarding transfers, employee turnover and promotions of operators who already have SIO
2. Lack of communication between the GMKM unit and the training department regarding the availability of SIO certificates in the unit so that some SIOs could not be shown when the audit took place

Correction (filled by organization audited):

1. Identify training needs for boiler operators and production personnel
2. Create a training submission program to BCU (Department for Training) and implement the training

Corrective Action (filled by organization audited):

Monitoring every month through P2K3 meetings and internal audits

Assessor Evaluation and Conclusion (filled by auditor):
Auditor Verification September 20, 2023

- Root cause analysis: Need confirmation for proof of correction number 3. A promotion was carried out for Suhendar's brother (Shd), who had just been trained in steam boiler aircraft to become a process foreman, so that another operator and Agus were trained to replace Shd, an earlier evaluation should have been carried out, which is currently being carried out. related to SIO at P2K3 meetings so that the process of applying for replacement training is faster
- Correction: Why "Apply for Training"? For training activities, approval must be sought first from the BCU (Training Department) as well as assistance in implementing training activities.
- Corrective action: accepted and will be observed again in the next audit.
- Proof of correction:
 1. Record of the Minutes of the PT KMB P2K3 Meeting dated 03 July 2023 which discusses, among other things, the evaluation of GMKM Operator SIO (Identification and follow-up on training applications).
 2. Notification Letter for Class 1 Boiler Operator Training from PJK3 PT Cakra Biwa Consultant, dated 18 September 2023 for internal BGA Group. The implementation is planned for 18 – 23 September 2023 at the Pundu Learning Academy, with 2 participants including from the Boiler Operator PT KMB, with the initials AS and Hpd.
Note: Please show proof of the implementation of the training (documented recording) as well as the Decree of their current assignment at PT KMB.
 3. OHS Boiler Operator Certificate along with OHS (SIO) Boiler Operator license initials HG (PT KMB worker) which is still valid until April 30 2024.
Note: Please show the work decree in question, for now (Remember that if you look at the effective date of the OHS license, then at the time the audit was carried out the license was still active - but it was not shown during the audit). If the person is not a transfer from another unit (has worked at PT KMB – GMKM) when the audit is carried out, then please add it to the root cause analysis regarding this matter.
 4. Certificate of Passing Shd and Mkl, has been shown during the audit.
 5. Certificate of Completion and process for obtaining Certificates and Licenses at the Ministry of Manpower for Certification of the Ministry of Manpower for Class I First Mover Operators, 28 August – 01 September

2023. Participants from PT KMB are MQI (GMKM).

Note: For MQI: Please show the current MQI Assignment Decree at PT KMB - GMKM.

6. Based on the description above, there are still notes from the Auditor for root cause analysis, correction, and evidence of correction that requires further explanation, so this discrepancy is declared not yet fulfilled.

Auditor Verification September 21, 2023

The company shows additional evidence of improvement, as follows:

- Root cause analysis: accepted.
- Correction: accepted
- Additional proof of correction:
 1. Photo documentation of the implementation of the Class I Boiler Operator Certification training, by PJK3 Cakra Biwa Consultant, 18 – 23 September 2023.
 2. Statement letter number 079/Pers-SKK/GMKM/IX/2023 from the Mill Manager, dated September 16 2023. The decree explains that the worker with the initials AS is a GMKM Boiler Shift 1 worker.
 3. Statement letter number 080/Pers-SKK/GMKM/IX/2023 from the Mill Manager, dated September 16 2023. The decree explains that the worker with the initials HK is a GMKM Boiler Shift 2 worker.
 4. Statement letter number 083/Pers-SKK/GMKM/IX/2023 from the Mill Manager, dated September 20 2023. The decree explains that the worker with the initials HG is a GMKM Boiler worker.
 5. Statement letter number 074/Pers-SKK/GMKM/VIII/2023 from the Mill Manager, dated 25 August 2023. The decree explains that the worker with the initials MI is GMKM's Engine Room Shift 1 Operator.
- Based on the description above, the root cause analysis and correction have been accepted by the Auditor. The company also shows evidence of other corrections, so that this discrepancy is declared to have been fulfilled and will be observed again in the next audit.

Follow up on next audit (filled by auditor):

Verified by : Sentot Adi Subandono

3.4.3. Opportunity for Improvement

No	Ref. Std.	Description
1	2.1.3	<p>Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.</p> <p>Based on the revised land plot map of PT Karya Makmur Bahagia published by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency which was approved by the Head of Field Measurement and Mapping Sub-Directorate on 27 November 2020, it was found that there were changes in the identity and location of boundary markers when compared with the previous field map. In connection with this situation, the certification unit shows proof/plans for installing boundary pole poles which will be carried out in stages every month and is planned to be completed in the next 3 years (until 2025), where the total number of poles that need to be installed will be at PT. KMB (total of 5 plantations) approximately 4000 poles. The company can show the realization of installing updated stakes until 2023 where 118 stakes have been installed.</p> <p>Companies have the opportunity to ensure the realization of the installation of stakes in accordance with the plans they have.</p>
2.	3.4.3	<p>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.</p> <p>There are replanting activities. The company has created an environmental management and monitoring plan resulting from replanting activities. In the 2022 Semester II RKL-RPL implementation document, the implementation of environmental management and monitoring is still general and cannot be separated from the implementation resulting from replanting activities.</p> <p>Companies must present the results of the implementation of environmental management and monitoring resulting from replanting activities.</p>
3	7.8.3	<p>Mill effluent is managed according to applicable regulations. The quality of mill effluent discharged, especially BOD (Biochemical Oxygen Demand) is monitored in accordance with applicable regulations.</p> <p>The company has an LA permit covering an area of 427.68 Ha (GMKM) and an area of 466.56 Ha (BMKM). Meanwhile, the LA area that has been realized is 165.7 Ha (GMKM) and 210 Ha (BMKM).</p> <p>Companies must realize the application land area in accordance with the permits they have to prevent the potential for waste water to overflow in the WWTP or on the application land.</p>

3.4.4. Noteworthy Positive Components

No	Description
1	Commitment to implementing the principles of sustainable palm oil management
2	Has realized a partnership plantation with the surrounding community
3	Provision of Basic Food Service Units (UPS)
4	No longer using pesticides with the active ingredient Paraquat.



3.5 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Kotawaringin Timur Regency Manpower and Transmigration Service Interview with the Head of Industrial Relations June 20th, 2023</p> <ul style="list-style-type: none"> Company Regulations have been ratified. The company has a Bipartite Cooperation. Changes in management of the Bipartite Cooperation have been recorded with the Company. Regarding existing industrial relations cases, they have been resolved to the Supreme Court stage. 	<p>There are no negative issues that need further verification.</p>
<p>Land Office, Kotawaringin Timur Regency on June 23rd, 2023</p> <p>The certification unit has complied with applicable regulations related to land legality, among others, has had location permits, plantation business permits (<i>IUP</i>), land titles (<i>HGU</i>), and has routinely sent land use reports.</p>	<p>There are no negative issues that need further verification.</p>
<p>Kalimantan Tengah Province Manpower and Transmigration Service Interview with Plt. Head of UPT Sampit Labor Inspection Center June 20th, 2023</p> <ul style="list-style-type: none"> There is a P2K3 Organization that has been approved. Engine tests have been carried out periodically. Pay attention to the status of workers in the Company. Pay attention to if work accidents occur at the Company and follow up. 	<p>There are no negative issues that need further verification.</p>
<p>Kotawaringin Timur District Agriculture Service Interview with Agricultural Product Marketing Analyst June 20th, 2023</p> <ul style="list-style-type: none"> LPUP Reports and Fire Management Reports have been reported to the Department periodically. The Plantation Business Assessment has been carried out, but the results have not yet been released, currently waiting for the Governor's approval. The Company's fire infrastructure is adequate. There have been no fires in the last 1 year. The company has used certified seeds. There are no social issues/social conflicts reported to the Department. 	<p>There are no negative issues that need further verification.</p>
<p>Gender Committee PT. Karya Makmur Bahagia Head of Committee Gender On June 22th, 2023</p>	<p>There are no negative issues that need further</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>The gender committee is engaged in activities related to the protection of women's rights and as a forum in the event of sexual harassment or violence. So far there have been no incidents of sexual harassment or violence in the company's operational areas and employees are aware of the existence and function of the gender committee.</p>	<p>verification.</p>
<p>BDME Gender Committee Interview with the Chairman June 20, 2023</p> <ul style="list-style-type: none"> • In daily life, the Chair of the Gender Committee works as a Division Clerk. • In the Gender Committee organizational structure, there are men who play a role. • Gender Committee activities include gymnastics, posyandu, improving child nutrition, etc. • There are no issues related to the gender of workers. 	<p>There are no negative issues that need further verification.</p>
<p>Bipartite Cooperation Interview with Chairman and deputy. June 20, 2023</p> <ul style="list-style-type: none"> • In daily life, the chairman of the Bipartite Cooperation is the BDME Foreman, and the Deputy is the Admin at GMKE. • There is no labor union in the Company. • There are no restrictions on organizing for workers. This is often conveyed during morning assembly. • Coordination meetings are held every 3 months and reported to the relevant Department. • There are no employment issues and no complaints from workers coming to the organization. • PPE has been provided to workers free of charge, according to work risks. If the PPE is damaged, you can get a new replacement from the Company. • The company has implemented the Kotawaringin Timur UMK. • Workers have been registered with BPJS Health and Employment. • There have been no major work accidents or fatalities in the last 1 year. • One of the efforts to accommodate complaints and aspirations is carried out through regular monthly workshops. 	<p>There are no negative issues that need further verification.</p>
<p>Replanting Contractor PT Cahaya Bumi Rezeki Director of PT Cahaya Bumi Rezeki On June 22th, 2023</p> <ul style="list-style-type: none"> • Replanting since 2021 • Work on land preparation for planting oil palm 	<p>There are no negative issues that need further verification</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> contractors are responsible for their workers including carrying out their obligations according to company regulations and statutory regulations Good cooperation and no complaints regarding payment 	
PT Agritama Multi Sarana – Sampit Representative Office Interview with Marketing June 22, 2023 <ul style="list-style-type: none"> Is a supplier of fertilizer and PPE. The form of cooperation with companies is sale and purchase. Have worked together for 10 years. There were no complaints while working with the company. 	There are no negative issues that need further verification.
Koperasi Lestari Interview with the Cooperative Secretary June 22, 2023 <ul style="list-style-type: none"> Is a supplier of FFB to GMKM. Cooperative area in the Bukit Makmur Village area, which consists of plasma TBS and Community TBS. Plasma is managed by the Company, both maintenance and harvest. For sorting, the quality of FFB from non-standard plasma is recorded and reported to the relevant parties. Meanwhile, Community TBS for substandard TBS is returned. The price of plasma FFB uses the prevailing plantation agency price, while Community FFB uses the market price. Resource persons include plasma land owners. Community plasma and FFB areas have been geolocated to ensure the legality of the area. There are no complaints against the Company, and payments are smooth. 	There are no negative issues that need further verification.
CV Lintas Mentaya Interview with Admin June 22, 2023 <ul style="list-style-type: none"> Is a CPO Transport Contractor who still has an active Cooperation contract with the Company. The driver's salary is above the minimum wage. Workers have received PPE from the office. The driver's age is more than 23 years. 	There are no negative issues that need further verification.
CV Catur Borneo Abadi Interview with Operational PIC June 22, 2023 <ul style="list-style-type: none"> Is a PK Transport Contractor who still has active collaboration with the Company. 	There are no negative issues that need further verification.

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> Employee salaries above the minimum wage. Workers have received PPE from the office. Driver age between 25 – 45 years. 	
<p>Village Head of Tumbang Sepayung Village Head of Sungai Hanya Village head of Gunung Makmur Village Head of Tumbang Boloji</p> <p>There are no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties.</p> <p>The company has made efforts to develop the surrounding community through CSR programs, development of scheme smallholders, the use of local labor and local contractors.</p> <p>The relationship between the company and the community has run quite well and harmoniously. Communication between the company and the village is quite good.</p>	<p>There are no negative issues related to the certification unit, and verification has been carried out in the report.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Karya Makmur Bahagia Management Representative</p>  <p><u>Erick P Andreas</u> <i>P</i> Thursday, 21 September 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Rahmat Abdiansyah</u> Thursday, 21 September 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Head of Industrial Relations - Manpower and Transmigration Service	Kotawaringin Timur	-	By Phone	June 20, 2023	√	
2	Land Office	Kotawaringin Timur	-	By Phone	June 23, 2023	√	
3	Plt. Head of UPT Sampit Labor Inspection Center	Kotawaringin Timur	-	By Phone	June 20, 2023	√	
4	Agricultural Product Marketing Analyst	Kotawaringin Timur	-	By Phone	June 20, 2023	√	
5	Head of Tumbang Sepayung	Kotawaringin Timur	-	Direct	June 20, 2023	√	
6	Head of Sungai Hanya	Kotawaringin Timur	-	Direct	June 20, 2023	√	
7	Head of Gunung Makmur	Kotawaringin Timur	-	Direct	June 20, 2023	√	
8	Head of Tumbang Boloi	Kotawaringin Timur	-	Direct	June 20, 2023	√	
9	Bipartite Cooperation	PT. Karya Makmur Bahagia	-	Direct	June 20, 2023	√	
10	Gender Committee	PT. Karya Makmur Bahagia	-	Direct	Jun 22 nd , 2023	√	
11	BDME Gender Committee	PT. Karya Makmur Bahagia	-	Direct	June 20, 2023	√	
12	Koperasi Lestari	PT. Karya Makmur Bahagia	-	Direct	June 22, 2023	√	
13	Replanting Contractor PT Cahaya Bumi Rezeki	Jakarta	-	By Phone	Jun 22 nd , 2023	√	
14	PT Agritama Multi Sarana	Sampit	-	By Phone	Jun 22 nd , 2023	√	
15	CV Lintas Mentaya	Kotawaringin Timur	-	Direct	Jun 22 nd , 2023	√	
16	CV Catur Borneo Abadi	Kotawaringin Timur	-	Direct	Jun 22 nd , 2023	√	
17	GMKM • 8 FFB Sorter • 2 Sterilizer Operator • 2 Clarification Operator • 1 Generator/ Turbine Operator • 3 Boiler Operator • 2 Pressing Operator	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 22 nd , 2023	√	

	<ul style="list-style-type: none"> • 2 Nut & Kernel Operator • 1 WTP Operator 						
18	GMKE <ul style="list-style-type: none"> • 1 Manuring Foreman • 2 Fertilizer Applicator • 1 Foreman Pesticide Applicator • 4 Pesticide Applicator • 6 Harvesters • 1 Harvesters Foreman • 4 Babysitter • 2 Generator Operator 	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 22 nd , 2023	√	
19	SMNE <ul style="list-style-type: none"> • 3 Pesticide Applicator • 3 Fertilizer Applicator • 1 Castration Foreman • 2 Castration Operator • 3 Weeding Manual 	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 23 nd , 2023	√	
20	BDME <ul style="list-style-type: none"> • 2 harvesters • 2 loose fruit pickers • 1 harvest foremen • 1 Driver • 2 FFB loaders • 2 weed slashers • 1 genset Operator • 1 daycare workers 	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 23 nd , 2023	√	
21	4 Workers of PT Prima Sawit Teknik Berjaya	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 22 nd , 2023	√	
22	8 Aplikator EFB (Contractor)	Kotawaringin Timur, Kalimantan Tengah	-	Direct	Jun 22 nd , 2023	√	
23	WWF Indonesia	-	wwf-indonesia@wwf.or.id	Via email	08 June 2023		✓
24	Walhi	-	informasi@walhi.or.id	Via email	08 June 2023		✓
25	Sawit Watch	-	info@sawitwatch.or.id	Via email	08 June 2023		✓
26	AMAN	-	rumahaman@cbn.net.id	Via email	08 June 2023		✓

Appendix 2. Assessment Program

DATE	19 – 24 June 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
MONDAY, 19 June 2023		
11.30 – 13.20	Jakarta (CGK) (QG-452) → Palangkaraya	All Auditor
13.20 – 19.00	Palangkaraya → Site PT Karya Makmur Bahagia	All Auditor
TUESDAY, 20 June 2023		
08.00 – 09.00	Opening meeting <ul style="list-style-type: none"> Auditee Speech (Introduction of PIC, Profile of Certified Management Unit). Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification). 	Management Representative PT KMB & All Auditor
09.00 – 12.00	<ul style="list-style-type: none"> Interview with affected communities surrounding the plantations, previous land owner, scheme smallholders, Local NGO, Land Agency, Environment Agency Interview with Worker's Union, Gender Committee, Worker's Cooperative, Local Contractor (for Mill and Estate), Third Party Supplier and Labor Agency, Plantation Agency 	WYN SAS
09.00 – 12.00	Field Observation to Gunung Makmur Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities). Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management). Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application). 	RAB FIT
12.00 – 14.00	Break	
14.00 – 16.30	Field observation to Gunung Makmur POM: <ul style="list-style-type: none"> Supply Chain verification (FFB Receiving, Weighbridge) Implementation of OHS Aspect, Implementation of Employment Procedure, Security Post, FFB Sorting, Processing Activity and Despatch CPO Implementation of Environment Aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond and Land Application 	RAB/WYN FIT RAB/WYN
14.00 – 16.30	Continuing stakeholder consultation (if anything not done on the day)	SAS
16.30 – 17.00	Presentation of Daily Progress	All Auditor
WEDNESDAY, 21 June 2023		
08.00 – 12.00	Field Observation to Bukit Daman Estate Aspect to be verified : <ul style="list-style-type: none"> Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire 	RAB

DATE	19 – 24 June 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	Control Facilities). <ul style="list-style-type: none"> • Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) 	SAS
08.00 – 12.00	Field Observation to Sungai Mentaya Estate Aspect to be verified : <ul style="list-style-type: none"> • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV • Implementation of the Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Workshop, Clinic, Fire Control Facilities). • Observation of Workers Facilities (Housing, School, Worship Place, Rinse House, Waste Management). • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) 	FIT WYN
12.00 – 14.00	Break	
14.00 – 16.30	Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
THURSDAY, 22 June 2023		
08.00 – 12.00	<ul style="list-style-type: none"> • Continuing stakeholder consultation (if anything was not done previous day) • Continuing Document review and completing audit checklist 	All Auditor
12.00 – 14.00	Break	
14.00 – 16.30	Continuing Document review and completing audit checklist	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
FRIDAY, 23 June 2023		
08.00 – 11.30	Continuing Document review and completing audit checklist	All Auditor
11.30 – 14.00	Break	
14.00 – 15.30	Interim Meeting (Closing Meeting Preparation	All Auditor
15.30 – 17.00	Closing Meeting <ul style="list-style-type: none"> • Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion) // • Comments, Responses and Questions. 	Management Representative PT KMB & All Auditor
SATURDAY, 24 June 2023		
06.00 – 12.00	<ul style="list-style-type: none"> • Trip site PT Karya Makmur Bahagia to Palangkaraya • Palangkaraya (QG-453) to Jakarta (CGK) 	All Auditor
13.50 – 15.30		