

*Roundtable on Sustainable Palm Oil Certification*  
**R S P O**

**[ ✓ ] Surveillance**

Name of Management Organisation : Mandau Palm Oil Mill, PT Adei Plantation & Industry subsidiary of Kuala Lumpur Kepong Berhad  
 Plantation Name : PT Adei Plantation & Industry: Kebun Mandau Utara and Kebun Mandau Selatan  
 Location : Village of Tenganau, Sub District of Pinggir, District of Bengkalis, Province of Riau, Indonesia  
 Certificate Code : **MUTU-RSPO/021**  
 Date of Initial Registration : 19 October 2012  
 Date of Last Issue : 31 October 2022  
 Date of Certificate Expiry : 18 October 2027  
 Date of License Issue : 19 November 2023  
 Date of License Expiry : 18 October 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2.1	17 – 18 and 20 – 22 July 2023	Rahmat Abdiansyah (Lead Auditor), Sentot Adi Subandono, I Wayan Sudi Antara and Sabiah Dhiningtyas Utami	Moh Arif Yusni	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2.1	<b>27 September 2023</b>

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

Figure 1. Location Map of PT Adei Plantation & Industry	1
Figure 2. Operational Map of PT Adei Plantation & Industry	2
Abbreviations Used	3

**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used	5
1.2 Organisation Information	5
1.3 Type of Assessment	5
1.4 Location of Mill and Plantations	5
1.5 Description of Area Statement	6
1.6 Planting Year and Cycle	6
1.7 Description of Mill and Supply Base	7
1.8 Estimate Tonnage of Certified Product	7
1.9 Other Certifications	8
1.10 Time-Bound Plan	8

**2.0 ASSESSMENT PROCESS**

2.1 Assessment Team	14
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	14
2.3 Stakeholder Consultation and Stakeholders Contacted	18
2.4 Determining Next Assessment	18

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the RSPO Certification	19
3.2 Conformity Checklist of Certificate and Logo Use	72
3.3 Summary of RSPO Partial Certification	73
3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	75
3.5 Summary of Arising Issues from Public and Auditor Verification	79

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

4.1 Formal Signing of Assessment Findings	85
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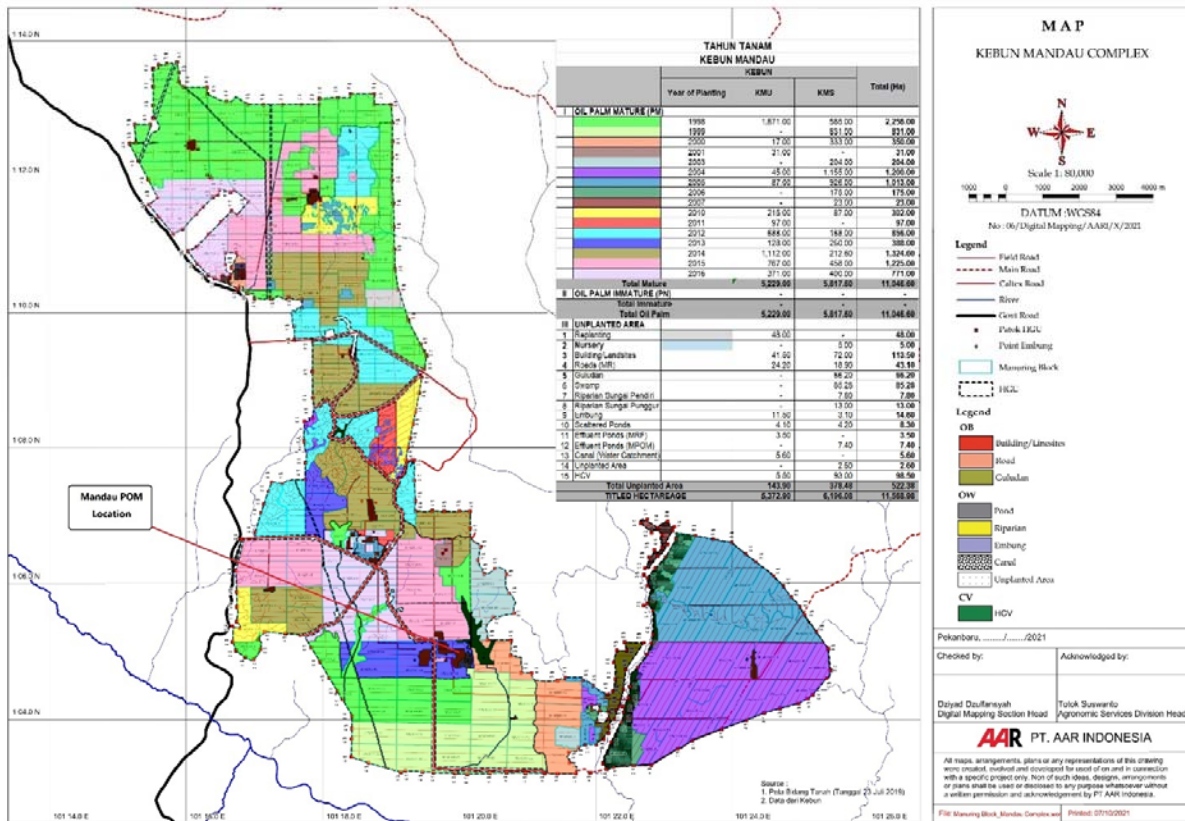
**APPENDICES**

1. List of Stakeholders Contacted in the RSPO Certification Process	86
2. Assessment Program	88

Figure 1. Location Map of PT Adei Plantation & Industry



Figure 2. Operational Map of PT Adei Plantation & Industry



**Abbreviations Used**

AARI	:	Applied Agricultural Resources Indonesia
AMDAL	:	Environmental Impact Assessment
ASA	:	Annual Surveillance Assessment
BMP	:	Best management practices
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i>
BPN	:	<i>Badan Pertanahan Nasional</i>
CPO	:	Crude palm oil
CSR	:	Company Social Responsibility
DSS	:	<i>Daerah Sempadan Sungai</i> (Riparian)
EIA	:	Environmental impact assessment
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, and Consent
GHG	:	Greenhouse Gases
GM	:	General Manager
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
HIRADC	:	Hazard Identification Risk Assessment and Determining Control
IP	:	Identity Preserved
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability and Carbon Certification
ISPO	:	Indonesia Sustainable Palm Oil
KARHUTLA	:	<i>Kebakaran Hutan dan Lahan</i> (Forest and Land Fires)
KKPA	:	<i>Kredit Koperasi Primer Anggota</i>
KLK	:	Kuala Lumpur Kepong
KM	:	Kebun Mandau
KMS	:	Kebun Mandau Selatan
KMU	:	Kebun Mandau Utara
KWH	:	Kilowatt Hour
LUCA	:	Land Use Change Analysis
LPUP	:	<i>Laporan Perkembangan Usaha Perkebunan</i>
MB	:	Mass Balance
MKCP	:	Mandau Kernel Crushing Plan
MPOM	:	Mandau Palm Oli Mill
MSDS	:	Material Safety Data Sheets
OER	:	Oil extraction rate
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia pembina Keselamatan Kesehatan Kerja</i>
PBB	:	<i>Pajak Bumi dan Bangunan</i> (Land and Property Tax)
Permenaker	:	<i>Peraturan Menteri Tenaga Kerja</i> (Minister of labor regulation)
PHL	:	<i>Pekerja Harian Lepas</i> (Daily worker)
PK	:	Palm Kernel
PKWT	:	<i>Perjanjian Kerja Waktu Tertentu</i> (Contract worker)

PKWTT	:	<i>Perjanjian Kerja Waktu Tidak Tertentu</i> (Permanent worker)
PLN	:	<i>Perusahaan Listrik Negara</i> (State Electricity Company)
POM	:	Palm oil mill
POME	:	Palm oil mill effluent
PPE	:	Personal Protective Equipment
PPH	:	<i>Pajak Penghasilan</i> (Income Tax)
PPN	:	<i>Pajak Pertambahan Nilai</i> (Value-added tax)
PSR	:	<i>Program Peremajaan Sawit Rakyat</i> (Communities Palm Oil Replanting Program)
PR	:	Public Relations
PTH	:	<i>Pekera Tetap Harian</i> (Permanent Daily worker)
PTB	:	<i>Pekerja Tetap Bulanan</i> (Permanent Monthly worker)
RKL-RPL	:	<i>Rencana Pengelolaan Lingkungan-Rencana Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SBRI	:	<i>Serikat Buruh Riau Independen</i> (Riau Independent Labor Unions)
SCCS	:	Supply chain certification system
SIA	:	Sosial Impact Assessment
SIMPEL	:	<i>Sistem Informasi Pelaporan Elektronik</i> (Direct Procurement Management Information System)
SLO	:	<i>Surat Layak Operasional</i> (Operational Eligibility Certificate)
SOP	:	Standard Operating Procedure
SPSI	:	<i>Serikat Pekerja Seluruh Indonesia</i> (Indonesia Labor Unions)
TPA	:	<i>Tempat Penitipan Anak</i> (Day-care)
TPS	:	<i>Tempat Penyimpanan Sementara</i> (Temporary storage area)
WTP	:	Water Treatment Plan
WWTP	:	Wastewater Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</li> <li>RSPO Certification System for Principles and Criteria, 12 November 2020.</li> </ul>	
<b>1.2</b>	<b>Organization Information</b>		
1.2.1	Organization name listed in the certificate	PT Adei Plantation & Industry subsidiary of Kuala Lumpur Kepong Berhad	
1.2.2	Contact person	Jason Foong	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li><b>RSPO registered company:</b> Wisma Taiko, 1, Jalan S. P. Seenivasagam, 30000 Ipoh, Perak, Malaysia</li> <li><b>Indonesia Liaison office:</b> Kompleks Pertokoan Taman Anggrek Blok B2 - B5, Jl. Tuanku Tambusai, Pekanbaru – Riau.</li> </ul>	
1.2.4	Telephone	+62-761-571885	
1.2.5	Fax	+62-761-571862	
1.2.6	E-mail	jason.foong@klk.com.my	
1.2.7	Web page address	<a href="http://www.klk.com.my">www.klk.com.my</a>	
1.2.8	Management Representative who completed the application for certification	Jason Foong	
1.2.9	Registered as RSPO member	1-0014-04-000-00, 18 <sup>th</sup> October 2004	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply bases: Mandau Palm Oil Mill and 2 estates (Kebun Mandau Utara (KMU) and Kebun Mandau Selatan (KMS)).	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Mandau	Jl. Raya Pekanbaru - Duri KM 101, Tenggau Village, Pinggir Sub-District, Bengkalis District, Riau Province, Indonesia	N 01° 04' 55.56"      E 101° 20' 1.06"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Kebun Mandau	Jl. Raya Pekanbaru - Duri KM 110,	N 01° 11' 38.58"      E 101° 17' 47.50"

Utara	Semunai Village, Pinggir Sub-District, Bengkalis District, Riau Province, Indonesia			
Kebun Mandau Selatan	Jl. Raya Pekanbaru - Duri KM 101 Simpang Intan, Muara Basung Village, Pinggir Sub-District, Bengkalis District, Riau Province, Indonesia	N 01° 06' 37.26"	E 101° 18' 36.39"	
<b>1.5 Description of Area Statement</b>				
1.5.1	Tenure			
	• State	11,568.98	Ha	
	• Community	-	Ha	
1.5.2	<b>Area Statement</b>			
	• Total area	11,568.98	Ha	
	• Mature area	11,046.60	Ha	
	• Replanting (already LC but not planted yet)	48.00	Ha	
	• Nursery	5.00	Ha	
	• Building and Mill/Landsite	113.50	Ha	
	• Roads	43.10	Ha	
	• <i>Guludan</i> trench	66.20	Ha	
	• Swamp	85.28	Ha	
	• Riparian <i>Pendiri</i> River	7.80	Ha	
	• Riparian <i>Punggur</i> River	13.00	Ha	
	• Water reservoir	14.60	Ha	
	• Scattered Ponds	8.30	Ha	
	• Effluent Ponds (ex.Mandau Rubber Factory)	3.50	Ha	
	• Effluent Ponds (Mandau POM)	7.40	Ha	
	• Canal (Water Catchment)	5.60	Ha	
	• Unplanted Area	2.60	Ha	
	• HCV	98.50	Ha	
<b>1.6 Planting Year and Cycles</b>				
1.6.1	Age profile of planting year			
	<b>Planting Year</b>	<b>Hectarage (Ha)</b>		
		<b>Kebun Mandau Utara</b>	<b>Kebun Mandau Selatan</b>	<b>Total</b>
	1998	1,671.00	585.00	2,256.00
	1999	-	831.00	831.00
	2000	17.00	333.00	350.00
	2001	31.00	-	31.00
	2003	-	204.00	204.00
	2004	45.00	1,155.00	1,200.00
	2005	87.00	926.00	1,013.00
	2006	-	175.00	175.00



	2007	-	23.00	23.00			
	2010	215.00	87.00	302.00			
	2011	97.00	-	97.00			
	2012	688.00	168.00	856.00			
	2013	128.00	260.00	388.00			
	2014	1,112.00	212.60	1,324.60			
	2015	767.00	458.00	1,225.00			
	2016	371.00	400.00	771.00			
	<b>TOTAL</b>	<b>5,229.00</b>	<b>5,817.60</b>	<b>11,046.60</b>			
	*Planting Year 2019 is infilling not New Planting						
1.6.2	New Planting area after January 2010	-	-	Ha			
1.6.3	Planting Cycle	2 <sup>nd</sup> Cycle					
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Palm Kernel Out put (tonnes)</b>	<b>Extraction (%)</b>
	Mandau	80	279,832.37	60,407.28	21.59	11,311.00	4.04
	*Production data source from 12 months before assessment (Jul 22 – Jun 23)						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/ year)</b>	<b>Yield (tonnes/ha/ year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Mandau Utara	5,372.90	5,229.00	135,195.12	25.85	135,195.12	100
	Mandau Selatan	6,196.08	5,817.60	144,637.25	24.86	144,637.25	100
	<b>TOTAL</b>	<b>11,568.98</b>	<b>11,046.60</b>	<b>279,832.37</b>	<b>25.33</b>	<b>279,832.37</b>	<b>100</b>
	*Production data source from 12 months before assessment (Jul 22 – Jun 23)						
1.7.3	FFB description from other source						
	<b>Name of Sources/Organisation</b>	<b>Type of Organisation</b>	<b>Number of Smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	-	-	-	-	-		
	<b>TOTAL</b>						<b>-</b>
	*Production data source from 12 months before assessment (Jul 22 – Jun 23)						
1.7.4	Product categories			<b>FFB, CPO, PK</b>			
<b>1.8</b>	<b>Tonnage of Product</b>						
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume + Extension Volume (MT)		Actual production in last 12 months (July 2022 – June 2023) + Opening Stock		

	<ul style="list-style-type: none"> <li>• FFB Process IP</li> <li>• FFB Process MB</li> <li>• CPO Production IP</li> <li>• CPO Production MB</li> <li>• Palm Kernel (PK) Production IP</li> <li>• Palm Kernel (PK) Production MB</li> </ul>	344,189 30,500 76,168 6,700 15,442 1,225	279,832.37 - 66,516.37 - 11,641.58 -																									
1.8.2	Product selling																											
	Tonnage of selling product	Actual selling product for last year (July 2022 – June 2023) (MT)																										
	<ul style="list-style-type: none"> <li>• CSPO sold as RSPO certified product</li> <li>• CSPK sold as RSPO certified product</li> <li>• CSPO sold under other scheme</li> <li>• CSPK sold under other scheme</li> <li>• CSPO sold as conventional</li> <li>• CSPK sold as conventional</li> </ul>	25,619.22 11,516.73 36,070.89 - 3,500 -																										
1.8.3	Estimate of Certified FFB Claim																											
	<table border="1"> <thead> <tr> <th>Name of Estates</th> <th>Total Area (Ha)</th> <th>Production Area (Ha)</th> <th>FFB IP (ton/year)</th> <th>FFB MB (ton/year)</th> <th>Yield (ton/ha/year)</th> </tr> </thead> <tbody> <tr> <td>Mandau Utara</td> <td>5,372.90</td> <td>5,277.00</td> <td>130,000</td> <td>10,000</td> <td>24.64</td> </tr> <tr> <td>Mandau Selatan</td> <td>6,196.08</td> <td>5,822.60</td> <td>148,000</td> <td>20,000</td> <td>25.42</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>11,568.98</b></td> <td><b>11,099.60</b></td> <td><b>278,000</b></td> <td><b>30,000</b></td> <td><b>25.03</b></td> </tr> </tbody> </table>	Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB IP (ton/year)	FFB MB (ton/year)	Yield (ton/ha/year)	Mandau Utara	5,372.90	5,277.00	130,000	10,000	24.64	Mandau Selatan	6,196.08	5,822.60	148,000	20,000	25.42	<b>TOTAL</b>	<b>11,568.98</b>	<b>11,099.60</b>	<b>278,000</b>	<b>30,000</b>	<b>25.03</b>	<i>*Projected FFB production for next 12 months</i>		
Name of Estates	Total Area (Ha)	Production Area (Ha)	FFB IP (ton/year)	FFB MB (ton/year)	Yield (ton/ha/year)																							
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1.8.4	Estimate of Certified Palm Product Claim																											
	<table border="1"> <thead> <tr> <th rowspan="2">Name of Mill</th> <th rowspan="2">Capacity (tonnes/ hour)</th> <th rowspan="2">FFB Processed (tonnes/year)</th> <th colspan="2">CPO</th> <th colspan="2">Palm Kernel</th> <th rowspan="2">Supply Chain Module</th> </tr> <tr> <th>Out put (tonnes)</th> <th>Extraction (%)</th> <th>Out put (tonnes)</th> <th>Extraction (%)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Mandau</td> <td rowspan="2">80</td> <td>278,000</td> <td>61,160</td> <td rowspan="2">22.00</td> <td>11,120</td> <td rowspan="2">4.00</td> <td>IP</td> </tr> <tr> <td>30,000</td> <td>6,600</td> <td>1,200</td> <td>MB</td> </tr> </tbody> </table>	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module	Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	Mandau	80	278,000	61,160	22.00	11,120	4.00	IP	30,000	6,600	1,200	MB	<i>*Projected FFB production for next 12 months</i>		
Name of Mill	Capacity (tonnes/ hour)				FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module																		
		Out put (tonnes)	Extraction (%)	Out put (tonnes)		Extraction (%)																						
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		30,000	6,600		1,200		MB																					
1.9	Other Certifications																											
	ISO 9001:2015	-																										
	ISO 14001: 2015	-																										
	ISO 45001:2015	-																										
	ISCC	EU-ISCC-Cert-ID215-232305034, 4 May 2023 – 3 May 2024.																										
	Others	ISPO (MUTU-ISPO/030) valid until 28 July 2025																										
1.10	Time Bound Plan																											
1.10.1	Time Bound Plan for Other Management Units																											
	<table border="1"> <thead> <tr> <th>MANAGEMENT UNIT</th> <th>LOCATION</th> <th>Coverage Area (Ha)</th> <th>Time Bound</th> <th>Status</th> </tr> </thead> </table>	MANAGEMENT UNIT	LOCATION	Coverage Area (Ha)	Time Bound	Status																						
MANAGEMENT UNIT	LOCATION	Coverage Area (Ha)	Time Bound	Status																								

POM	Estate (Supply Base)				
<b>INDONESIA</b>					
Berau POM	Malindomas Perkebunan	Berau, Kalimantan Timur	7,971	2019	Certified
	Hutan Hijau Mas	Berau, Kalimantan Timur	7,288	2019	Certified
Jabontara POM	Jabontara Eka Karsa	Berau, Kalimantan Timur	14,086	2017	Certified
MAP POM	Mulia Agro Permai	Baamang, Kalimantan Tengah	9,056	2019	Certified
	Menteng Jaya Sawit Perdana	Mentaya Hilir Utara, Kalimantan Tengah	2,384	2025	Uncertified
KMA POM	Karya Makmur Abadi	Mentaya Hulu, Kalimantan Tengah	13,127	2019	Certified
Steelindo Wahana Perkasa POM	Steelindo Wahana Perkasa	Belitung, Bangka Belitung	14,065	2012	Certified 1 January 2015
	Bumi Makmur Sejahtera Jaya		364	2025	Uncertified
Parit Sembada POM	Parit Sembada	Belitung, Bangka Belitung	3,990	2013	Certified 2016
	Alam Karya Sejahtera	Belitung, Bangka Belitung	6,012	2013	Certified 2016
Mandau POM	Mandau	Bengkalis, Riau	14,799	2012	Certified 2012
Nilo POM 1	-	Pelalawan, Riau	-	2024	Certified 2022
Nilo POM 2	Nilo Timur	Pelalawan, Riau	6,681	2014	Certified
	Nilo Barat	Pelalawan, Riau	6,179	2014	Certified
	Mutiara	Pelalawan, Riau	1,363	2019	Certified
	Smallholder PT Adei Plantation - NILO Complex	Pelalawan, Riau		2018	Certified
Tapung Kanan POM	Sekarbumi Alamlestari	Kampar, Riau	6,200	2012	Certified 2013
	Koperasi Tani Sahabat Lestari (Smallholder)	Kampar, Riau	1,294	-	Refuse to take a part RSPO process.
Stabat POM	Basilam	Langkat, Sumatera Utara	2,337	2014	Certified 2017
	Gohor Lama	Langkat, Sumatera Utara	3,307	2014	Certified 2017
	Padang Brahrang	Langkat, Sumatera Utara	2,024	2014	Certified 2017
	Tanjung Beringin	Langkat, Sumatera Utara	3,936	2020	Certified
Tanjung Keliling POM	Bekiun	Langkat, Sumatera Utara	2,979	2014	Certified 2020
	Maryke	Langkat, Sumatera Utara	2,827	2014	Certified 2020

	Bukit Lawang	Langkat, Sumatera Utara	1,482	2014	Certified 2020
	Tanjung Keliling	Langkat, Sumatera Utara	2,360	2014	Certified 2020
Sinergi POM	Kebun Pertama	Kutai Timur, Kalimantan Timur	10,104	2024	Uncertified
	Kebun Belidan	Kutai Timur, Kalimantan Timur		2024	Uncertified
	Kebun Manubar	Kutai Timur, Kalimantan Timur		2024	Uncertified
	Kebun Multi	Kutai Timur, Kalimantan Timur	3,255	2024	Uncertified
	Kebun Karya	Kutai Timur, Kalimantan Timur	2,928	2024	Uncertified
	Kebun Bakti	Kutai Timur, Kalimantan Timur	1,884	2024	Uncertified
IPS POM	Kebun IPS	Kutai Timur, Kalimantan Timur	3,556	2024	Uncertified
Prima POM	Kebun Prima	Bulungan, Kalimantan Utara	7,731	2024	Uncertified
	Kebun Bahagia	Bulungan, Kalimantan Utara	1,310	2024	Uncertified
	Kebun Permai 1	Bulungan, Kalimantan Utara	1,017	2024	Uncertified
	Kebun Permai 2	Bulungan, Kalimantan Utara	3,778	2024	Uncertified
PBJ POM	Kebun PT Putra Bongan Jaya	Kutai Barat, Kalimantan Timur	11,602	2025	Uncertified
PWS POM	Kebun Pasir Salak	Musi Banyuasin, Sumatera Selatan	5,105	2024	Certified 2023
	Kebun Pangkor	Musi Banyuasin, Sumatera Selatan	4,697	2024	Certified 2023
	Kebun Grik	Musi Banyuasin, Sumatera Selatan	5,269	2024	Certified 2023
No POM yet	Kebun Anugrah	Mesuji, Lampung	3,231	2024	Uncertified
	Kebun Bintang	Mesuji, Lampung	2,608	2024	Uncertified
	Kebun Ceria	Mesuji, Lampung	2,674	2024	Uncertified
Segah POM	Kebun Satu Sembilan Delapan	Berau, Kalimantan Timur	5,676	2022	Certified 2022
	Kebun Tekukur Indah		1,497	2025	Uncertified
<b>PENINSULAR MALAYSIA</b>					
Batu Lintang POM	Pelam	Kulim, Kedah	2,526	2012	Certified 2013
	Batu Lintang	Serdang, Kedah	2,355	2012	Certified 2013
	Subur	Batu Kurau, Perak	1,290	2013	Certified 2013
	Ghim Khoon	Kulim, Kedah	434	2012	Certified 2013

Kekayaan POM	Kekayaan	Paloh, Johor	4,436	2011	Certified
	Landak	Paloh, Johor	4,451	2011	Certified
	Voules	Tenang, johor	2,977	2011	Certified
	Bandar Tenggara	Bandar Tenggara, Johor	950	2011	Certified
	New Pogoh	Tenang, johor	1,560	2011	Certified
	Fraser	Kulai, Johor	2,932	2011	Certified
	Paloh	Paloh, Johor	2,029	2011	Certified
	Sungai Bekok	Bekok, Johor	636	2011	Certified
	Ban Heng	Pagoh, Muar, Johor	631	2011	Certified
	See Sun	Renggam, Johor	589	2011	Certified
Paloh POM		Paloh, Johor			Outside Crop
Jerang Padam POM	Ayer Hitam	Bahau, Negri Sembilan	2,640	2012	Certified
	Batang Jelai	Rompin, Negri Sembilan	2,162	2012	Certified
	Jerang Padang	Bahau, Negri Sembilan	2,114	2012	Certified
	Kombok	Rantau, Negri Sembilan	1,915	2012	Certified
	Ulu Pedas	Pedas, Negri Sembilan	923	2012	Certified
	Gunung Pertanian	Simpang Durian, Negri Sembilan	686	2012	Certified
	Sungai Kawang	Lanchang, Pahang	1,889	2012	Certified
	Renjok	Telemong, Pahang	1,578	2012	Certified
	Tuan	Telemong, Pahang	1,353	2012	Certified
Tanjung Malim POM	Tanjung Malim	Tanjung Malim, Perak	1,544	2013	Certified 2013
	Kerling	Kerling, Selangor	619	2013	Certified 2013
	Sungai Gapi	Serendah, Selangor	603	2013	Certified 2013
	Bukit Kato	Serendah, Selangor			Certified 2013
	Kampar	Serendah, Selangor			Certified 2013
Tuan Mee POM	Tuan Mee	Sungai Buloh, Selangor	1,556	2012	Certified 2013
Kuala Pertang POM	Kerila	Tanah merah, Kelantan	2,191	2013	Certified 2014
	Pasir Gajah	Kuala Krai, Kelantan	2,107	2013	Certified 2014
	Sungai Sokor	Tanah Merah,	1,603	2013	Certified

		Kelantan			2014	
Changkat POM	Chermin	Lekir	Manjung, Perak	3,332	2012	Certified 2013
		Changkat Chermin	Manjung, Perak	2,540	2012	Certified 2013
		Raja Hitam	Manjung, Perak	1,497	2012	Certified 2013
		Allagar	Trong, Perak	805	2013	Certified 2013
		Glenealy	Parit, Perak	1,059	2013	Certified 2013
		Serapoh	Parit, Perak	936	2013	Certified 2013
		Kuala Kangsar	Padang Rengas, Perak	843	2013	Certified 2013
<b>SABAH, MALAYSIA</b>						
Pinang POM		Jatika	Tawau, Sabah	3,508	2009	Certified 2009
		Sigalong	Tawau, Sabah	2,864	2009	Certified 2009
		Pangeran	Tawau, Sabah	2,855	2009	Certified 2009
		Pinang	Tawau, Sabah	2,420	2009	Certified 2009
Mill II		Pang Burong	Tawau, Sabah	2,548	2009	Certified 2009
		Sri Kunak	Tawau, Sabah	2,770	2009	Certified 2009
		Tundong Estate	Tawau, Sabah	2,155	2009	Certified 2009
		Ringlet	Tawau, Sabah	1,834	2009	Certified 2009
Pinang		Pinang	Tawau, Sabah	2,420	2009	Certified 2009
		Tundong		2,155	2009	Certified 2009
		Ringlet		1,834	2009	Certified 2009
Lungmanis POM		Lungmanis	Lahad Datu, Sabah	1,656	2010	Certified 2010
		Sungai Silabukan	Lahad Datu, Sabah	2,654	2010	Certified 2010
		Rimmer	Lahad Datu, Sabah	2,730	2010	Certified 2010
		Tungku	Lahad Datu, Sabah	3,418	2010	Certified 2010
		Bukit Tabin	Lahad Datu, Sabah	2,916	2010	Certified

						2010
Bornion POM	Bornion	Kinabatangan, Sabah	3,233	2010	Certified	2010
	Segar Usaha	Kinabatangan, Sabah	2,792	2010	Certified	2010
LIBERIA						
Palm Bay Mill	Palm Bay Estate	Liberia	13,007	2022	Uncertified	
Revised timebound plan has been endorsed by RSPO Secretariat on 07 July 2023.						
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	-					

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA-2.1	<p>1. <b>Rahmat Abdiansyah (Lead Auditor)</b>. Indonesian citizen. Bachelor of Forestry from IPB University, with major in Forest Resources Conservation and Ecotourism. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&amp;C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, SCCS in 2022, SMETA Training in 2022, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&amp;C in 2019 and 2020. During this audit, he was assigned to verify legal aspects, land dispute, SCCS, Worker Welfare and Transparency.</p> <p>2. <b>Sentot Adi Subandono (Auditor)</b>. Indonesia 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 2020, and Completed Awareness Social Audit SMETA in 2022. During this assessment, verified the aspects of Best Management Practices and OHS Aspect.</p> <p>3. <b>I Wayan Sudi Antara (Auditor)</b>. 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 &amp; RSPO assessment as an auditor (has passed ISPO &amp; 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</p> <p>4. <b>Sabiah Dhiningtyas Utami (Auditor Trainee)</b>. Indonesian citizen. Bachelor of Agriculture, Department of Agrotechnology, Padjadjaran University. She has attended ISPO Auditor Training by LPP, ISO IRCA LAC 9001, Awareness ISO 19011:2018, ISO 14001:2015, ISO 45001:2018, ISO 17021:2015, ISO 17065:2012, RSPO Awareness and participated in several IHT in the fields of employment, environment, BMP, and other aspects. Has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with labor and social aspects. In this assessment, she verified the Worker Welfare and Transparency aspect under the supervision of the Lead Auditor.</p>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>
ASA-2.1	<p>Number of auditors: 3 auditors and 1 Auditor Trainee</p> <p>Number of days for ASA-2.1 at site: 5 days</p> <p>Number of working days for <b>ASA-2.1</b> at site: 15 Working days</p>
2.2.2	<b>Assessment Process</b>
ASA-2.1	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Adei Plantation &amp; Industry. to the requirements of <b>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or</p>



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

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

Improvement of findings from ASA 4 findings were observed by auditors at this ASA-2.1 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.2.

The opening meeting was held on 17<sup>th</sup> July 2023 at Meeting Room Office. As for the participants who attended the opening meeting included General Manager, Mill Manager, Estate Manager, Sustainability Support Team and other staff from Estate and POM. Closing meeting was held on 22<sup>nd</sup> July 2023, which was attended by the same participants as the opening meeting. Management of PT Adei Plantation & Industry accepts all the ASA-2.1 audit results.

The assessment program please find in Appendix 2

2.2.3	<b>Locations of Assessment</b>
ASA-2.1	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Mandau POM (MPOM)</b></p> <ul style="list-style-type: none"> <li>• <b>Sortation Station.</b> Observations and interviews with workers related to work procedures, business ethics, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Loading Ramp Station.</b> Observations related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Sterilizer Station.</b> Observations related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Press Station.</b> Observations and interviews with workers related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Nutt &amp; Kernel Station.</b> Observations and interviews with workers related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Boiler Station.</b> Observations and interviews with workers related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Engine Room Station.</b> Observations and interviews with workers related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Fire hydrant simulation in Boiler area.</b> Observations and interviews with workers related fire emergency preparedness.</li> <li>• <b>Waste Water Treatment Plant.</b> Field observations and interview related POME management, OHS and environmental aspect</li> <li>• <b>Empty bunch area.</b> Field observations related to empty bunch management.</li> <li>• <b>Water Treatment Plant</b> Field observations and interview related water treatment management, OHS and environmental aspect.</li> <li>• <b>Housing Complex.</b> Observation and interview with residents related to housing facilities, domestic waste management, and complaint mechanism.</li> <li>• <b>Security Post.</b> Observation to FFB transportation and acceptance process and interview with 2 Security Officers, on their understanding towards technical, RSPO supply chain, environment, safety and manpower aspect, as well as facilities provided by mill management.</li> <li>• <b>Weighbridge Station.</b> Observation and interview with Weighbridge Operators, on their understanding towards technical, supply chain, environment, safety and manpower aspect, as well as facilities provided by estate management.</li> </ul>

- **Temporary Hazardous Waste Storage.** Observation and interview to store keeper related to OHS, waste management and worker welfare aspect.
- **Chemical Storage.** Observation and interview to store keeper related to OHS, waste management and worker welfare aspect.
- **Material Storage.** Observation and interview to store keeper related to OHS, waste management and worker welfare aspect.
- **Workshop.** Observation and interview to store keeper related to OHS, waste management and worker welfare aspect.

**Mandau Utara Estate (KMU)**

- **HGU Pole No. 001, 003, 006, 206.** Field observation related to boundaries and company operational area.
- **Observation of Fire Tower, Block 14A2 Division 8 KM 2 and Block 98E2 Division 1 KM 1.** Observations related to emergency response facilities.
- **Observations at Embung Block 98E2 Division 1 KM 1.** Observations on environmental management.
- **EFB Application with Grabber and Badang, Block 14C2 Division 8 KM 2.** Observations and interviews with workers related to work procedures, OHS, employment and complaint mechanisms.
- **Circle Spraying Activity in 14C2 Division 8 KM 2 with Prima Up and Metafuron.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Beneficial Plant (*Turnera ulmivolia* and *Antigonon leptosus*) in Block 16F KM3.** Observations related to biological control to control UPDKS by maximizing host plants from natural enemies of these pests along with their treatment.
- **Barn Owl Box in Block 14D Division 7 KM 2.** Observations related to biological control using the natural enemy of rats, namely owls and monitoring.
- **Trial Replanting for Research in Block 23 A, KM 2.** Observation and interviews related replanting process without burning.
- **Leguminosae Cover Crop with *Ready Mucona Bracteata* in Block 23 A Division 7 KM 2.** Observation and interviews related replanting procedure.
- **Feromon trap with biological feromon in Block 23 A Division 7 KM 2.** Observation and interviews related integrated pest management.
- **Harvesting in Block 98L Division 4 KM 1.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **FFB Transport in Block 12C Division 8 KM 2.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Manual Weeding in Block 15 E Division 6 KM 1.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Construction of concrete roads in Main Road Block 14C Division 8 KM 2.** Observations related FFB delivery access to POM.
- **Riparian Papadah, KMU-3 2012 G/Divisi-9.** Observations related to soil and water conservation management.
- **Terrace Area (Slope), KMU-3 2012 G/Divisi-9.** Observations related to soil and water conservation management.
- **Housing Complex of Division KM 2.** Observation and interview with residents related to housing facilities, domestic waste management, and complaint mechanism.
- **Agrochemical storage.** Observation and interview about worker welfare, hazardous waste management, OHS implementation, and understanding of work procedure.
- **Fertilizer storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **Material storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **Central Storage.** Field Observation and interviews related to PPE, environmental, handling material, and OHS aspects.

- **Day Care of Division 5/6 KM 2.** Observations and interview with worker regarding to educational facilities in the form of childcare for workers.
- **Landfill.** Observations related to domestic waste management.

**Mandau Selatan Estate (KMS)**

- **Harvesting, Block 15A KM4 and Block 04G KM6.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **Spraying, Block 15E KM4.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **EFB Application, Block 15B and Block 15D, KM4.** Observations related to work procedures, worker welfare, OHS, and environmental aspects.
- **Barn Owl Box, Block 15D KM4.** Observations regarding the use of *Tyto alba* for IPM control by the company.
- **Beneficial Plant, Block 13A KM4, Block 04M KM6 and in front of MPOM.** Observations related to the maintenance of beneficial plants (*Turnera subulata* and *Antigonon leptopus*).
- **Fire Tower Number 3, Block 16E KM4.** Observations regarding the readiness of land fire emergency response facilities.
- **Lowly Area, Block 07A KM6.** Observations related to soil and water conservation management.
- **Terrace Area, Block 05G KM6.** Observations related to soil and water conservation management.
- **FFB Transportation, KM5.** Observations and interviews related to work procedures, worker welfare, OHS, and environmental aspects.
- **HGU Pole No. 78, 79, 80, and 77.** Field observation related to boundaries and company operational area.
- **Housing Complex of Division 12 KM 4.** Observation and interview with residents related to housing facilities, domestic waste management, and complaint mechanism.
- **Day Care of Division 12 KM 4.** Observations and interview with worker regarding to educational facilities in the form of childcare for workers.
- **Penaso River Border Conservation Area Block 04L Division 22 KM 6.** Observations on environmental management.
- **Punggur River Riparian Block 16E Division 12 KM 4.** Observations on environmental management.
- **Fire Tower Block 04L Division 22 and Block 07A Division 23 KM 6.** Observations related to emergency response facilities.
- **Beneficial Plant *Turnera ulmivolia* and *Antigonon leptopus* in Block 04M Division 22 KM6 and Block 00A Division 19 KM 5.** Observations related to biological control to control UPDKS by maximizing host plants from natural enemies of these pests along with their treatment.
- **Terrace Area, Block 05F Division 22 KM 6.** Observation related soil conservation.
- **Nursery.** Observations and interviews with workers related to work procedures, environmental management, OHS, employment and complaint mechanisms.
- **Agrochemical storage.** Observation and interview about worker welfare, hazardous waste management, OHS implementation, and understanding of work procedure.
- **Fertilizer storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **Material storage.** Observation and interview about worker welfare, OHS implementation, and understanding of work procedure.
- **Central Storage.** Field Observation and interviews related to PPE, environmental, handling material, and OHS aspects.
- **Hazardous Waste Temporary Storage.** Observation related to storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighter Simulation.** Field Observation related to firefighter equipment readiness, PPE, and OHS aspects.
- **Land Application Blok F** Observation and interview about waste management, and understanding of work procedure

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-2.1</b>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for Mandau Palm Oil Mill, PT Adei Plantation &amp; Industry was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on MUTU website on July 3<sup>rd</sup>, 2023.</li> <li>• Conducted public consultation via telephone to local government agencies of Bengkalis Regency (Plantation Service, Environment Service, and National Land Agency) on July 18<sup>th</sup>, 2023.</li> <li>• Public consultation meeting with communities on July 18<sup>th</sup>, 2023</li> <li>• Public consultation meeting with internal stakeholders and contractor on July 18<sup>th</sup>, 2023.</li> <li>• Public consultation with NGOs (by email) such as WWF, WALHI, AMAN, and Sawit Watch on July 10<sup>th</sup>, 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by Mandau Palm Oil Mill, PT Adei Plantation &amp; Industry.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-2.2</b> ) will be conducted eight (8) month to twelve (12) month after license approved.

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Mandau Palm Oil Mill, PT Adei Plantation & Industry subsidiary of Kuala Lumpur Kepong Berhad operation consisting of one (1) mill and Two (2) oil palm estates.

During the assessment, there were one (1) Minor non conformity; 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.

MUTUAGUNG LESTARI found that Mandau Palm Oil Mill, PT Adei Plantation & Industry subsidiary of Kuala Lumpur Kepong Berhad operation complied with the requirements of RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The CH has a master list of documents owned by the unit of certification. The document master list is divided into 2 parts, namely administrative documents and sustainability documents. For administrative documents, there are 53 types of documents with 34 documents accessible to the public, while 38 types of sustainability documents are accessible to the public. Documents can be accessed by the public through the website <a href="http://www.klk.com.my">www.klk.com.my</a>.</p> <p>In this document, the list of information that can be accessed includes relevant legal, social and environmental aspects related to sustainability. These documents include land certificates, OSH plans, environmental and social impact plans and assessments, HCV documentation, pollution prevention and abatement plans, complaints, negotiation procedures, continual improvement plans, public summary reports on certification assessments, and human rights policies. Based on interviews with government agencies and surrounding villages, they already know the types of documents that can be accessed by the public. From the results of the document review, the company has an SOP for Requests for Information made on April 20, 2020, while the request relates to documents related to the environment, social and law. In this case, if interested parties wish to access these documents, they can coordinate with the company's PIC PR. The unit of certification will respond to the information no later than 14 days after the application is received and submit a copy of the response letter to the internal unit.</p> <p>Based on this explanation, the company already has legal, social and environmental documents that are accessible to the public.</p>	
<b>1.1.2</b>	<p>The company already has data information that can be accessed by multiple parties. The information has been reported to the relevant agencies, including:</p>	

**Legal Aspect**

- The report on the development of the plantation business for the second half of 2022 was reported to the Bengkalis Regency Plantation Service on January 21, 2023.
- The HGU Utilization Report for the 2022 period was reported to the Bengkalis Regency Land Office on January 21, 2023.
- Investment Activity Report (LKPM) with status approved for the second quarter of 2023 PT Adei Plantation & Industry was received by the Ministry of Investment/BKPM on July 3, 2023.

**Environmental Aspect**

The company already has data information that can be accessed by multiple parties. The information has been reported to the relevant agencies, including:

- RKL-RPL reports for the second semester of 2022 which are reported to:
  - Via POS Indonesia on May 14, 2023 to 1. MENAG LH Jakarta; 2. Provincial Environmental Service. Riau; 3. Provincial Plantation Service. Riau; 4. BKSDA Riau; 5. PMP Kab. Bengkalis; 6. District Environmental Service. Bengkalis; 7. District Plantation Service. Bengkalis; 8. Regent of Kab. Bengkalis.
  - Electronic Receipt of the Environmental Electronic Reporting Information System (SIMPEL) to the Ministry of Environment and Forestry. TTE ID: 1689924788-1694; TTE period: 01-07-2022 to 31-12-2022 print date 07-21-2023.
- Reports on the management of POME for the first quarter of 2023 include:
  - Electronic Receipt of the Environmental Electronic Reporting Information System (SIMPEL) of the Ministry of Environment and Forestry. TTE ID: 1689829526-1694; TTE period: 20-07-2023 to 30-06-2023 for Mandau PKS PPA Report on 20-07-2023 to the Ministry of Environment and Forestry.
- Reports on the management of Hazardous and Toxic Waste in the First Quarter Period of 2023, among others, to:
  - Electronic Receipt of the Environmental Electronic Reporting Information System (SIMPEL) of the Ministry of Environment and Forestry. TTE ID: 1689367121-1694; TTE Period: 01-04-2023 to 30-06-2023 for PLB3 PKS Mandau Report on 15-07-2023 to the Ministry of Environment and Forestry.
  - Electronic Receipt for PKS Mandau (ID: 1689364783-634) SIRAJA WASTE ONLINE Application for Period: Quarter 2 (01-04-2023 to 30-06-2023) Date: 15-07-2023 To KLHK, DLH Prov. Riau and Kab. Bengkalis.

**OHS Aspect**

- OHS Committee Report of PT Adei Plantation & Industry – Mandau Mill, Quarter 2 of 2023 to the Agency of Manpower and Transmigration of Bengkalis Regency on 12 July 2023.
- OHS Committee Report of PT Adei Plantation & Industry – Mandau Estate, Quarter 2 of 2023 to the Agency of Manpower and Transmigration of Riau Province through POS on 21 July 2023.

**Worker Welfare Aspect**

- Employment Report (*WLTK*) of PT Adei Plantation & Industry Mandau POM with reporting Number 28784.20230118.0002, date of report on January 18<sup>th</sup>, 2023, and obligation to report back on January 18<sup>th</sup>, 2024.
- Employment Report (*WLTK*) of PT Adei Plantation & Industry Mandau Utara Estate with reporting Number 28784.20230109.0001, date of report on January 9<sup>th</sup>, 2023, and obligation to report back on January 9<sup>th</sup>, 2024.
- Employment Report (*WLTK*) of PT Adei Plantation & Industry Mandau Selatan Estate with reporting Number 28784.20230109.0001, date of report on January 9<sup>th</sup>, 2023, and obligation to report back on January 9<sup>th</sup>, 2024.

The results of interviews with stakeholders in the Regional Government of Bengkalis Regency who were interviewed during the audit process, as well as representatives of Muara Basung & Tengganau Village, revealed that they already know the type of information available and how to access this information. Based on this explanation, the company PT Adei Plantation & Industry has met indicator 1.1.2.

**1.1.3, 1.1.4**

The CH has a procedure for requesting information which was revised on April 24, 2020 explaining, among other things:

- Ensure that all requests for information are on environmental, social and legal issues related to sustainability criteria.
- Managers must constructively and appropriately respond to each request. Requests containing responses must be signed



by the manager or authorized person and dated to the response.

- The response period is 14 days. If there is a reason, then the timing of providing stakeholder information on this matter, along with the reasons for the delay.
- Etc.

The CH can also indicate the realization of the procedure. For example, from an incoming letter dated July 7 2023 regarding a request for data on electricity production for the Riau Province for 2023 from the Riau Province Energy and Mineral Resources Office. The CH indicated a written response on July 18, 2023, which means that the response period is still within the procedure time range.

**1.1.5**

The CH has compiled a list of contracts and stakeholder information, updates on July 18, 2023, the stakeholders can be contacted. This has been noted in discussion 3.5 Summary of Arising Issues from Public and Auditor Verification. For example:

- BPJS Health
- BJPS Employment (Duri Branch Office)
- Duri Manpower
- Bengkalis Regency Environmental Service
- Labor union (SBSI and SPSI)
- Community leaders in surrounding villages
- Suppliers and Contractors (such as transportation of toxic and hazardous waste, maintenance, security, etc.)
- NGO
- Etc.

**Status: Comply**

**1.2**

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

**1.2.1**

Unit certification that demonstrates commitment to ethical behavior is contained in the KLK Group Policy Compliance and Anti-Corruption Declaration. In the document it is stated that all employees must comply with the terms and conditions and procedures listed in the policy below:

- KLK Group's Anti-Corruption Policy
- Company Code of Ethics and Conduct
- Employee Code of Ethics
- Supplier Code of Conduct
- Violation Reporting Policy
- Employee Complaint Handling Policy
- Guidelines on Gift Giving, Benefits and Hospitality
- Donation and Sponsorship Policy.

This policy has been socialized in every plantation and factory unit. For example, socialization at the Mandau 1 Estate (KMU) unit on January 10<sup>th</sup>, 2023 and at the Mandau 4 Estate (KMS) unit on January 16<sup>th</sup>, 2023. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the plantation and factory units, they already understood the ethical code of conduct that applies to the company.

This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts. Then at the time of signing the work contract, the contractor has also signed the Supplier Code of Conduct which contains compliance related to OHS, environment, labor, etc. The company demonstrated the signing of the Supplier Code of Conduct by the Mutiara Berkah Foundation on May 31<sup>st</sup>, 2023.

Based on interviews with plantation and mill employees, representatives of internal and external stakeholders, it is known that

the policy has been understood and implemented in all business operations and transactions, including recruitment and contracts.

### 1.2.2

The unit of certification has a mechanism to monitor compliance and the implementation of ethical business policies and practices through compliance inspection and evaluation. For example, conducting regular internal audits to ensure operational units comply with policies and SOPs. The scope of the internal audit is the compliance of each unit in plantations and mills with all aspects contained in the RSPO P&C such as legality, SCCS, labor, environment, BMP and other aspects. The last internal audit was carried out on May 22<sup>nd</sup> – 27<sup>th</sup>, 2023. From the internal audit activities there were 4 non-compliances which had been fulfilled on July 15<sup>th</sup>, 2023.

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

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

Status: Comply

## PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS

### 2.1

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

#### 2.1.1

Based on documents verifications the unit of certification can demonstrate compliance with these law and regulations, for instance:

#### Compliance with Legal Aspect

- The company already has a HGU Certificate with a total land area of 11,568.978 Ha which was issued on 16 July 2021 and ended on 31 December 2045.
- Plantation Business Permit (IUP) issued by the District Plantation Office, Bengkalis Number: 744/UT.512/VI/2004, dated 18 June 2004 regarding Plantation Business License (IUP) for PT ADEI P&I Mandau Estate, Pinggir District. The letter stated that "On behalf of the Regent of Bengkalis through the Head of the District Plantation Service, Bengkalis agrees to grant IUP. PT ADEI P&I Mandau Plantation, with an area of 14,900 Ha in Pinggir District, Bengkalis Regency.
- Regarding the change in land area, the company showed a letter of approval for the change in land area through a reduction in the area of the plantation business permit of PT Adei Plantation & Industry No. 525/Disbun-Prod/XII/2021/255 dated 13 December 2021 from the original 14,900 Ha to 11,571.17890 Ha. The Plantation Business Permit issued by the OSS system has been shown on May 24, 2021 (21st amendment).
- For processing units, the company has a Plantation Industry Business Permit based on letter no. 746/U.T.513/VI/2004 dated 18 June 2004 by the Bengkalis Regency Plantation Service on behalf of the Regent of Bengkalis for PT ADEI Plantation & Industry Kebun Mandau Palm Oil Mill, Pinggir District with a mill capacity of 80 tonnes/hour.

#### Compliance with Environmental Aspect

- Records of Progress on Changes to Integrated Environmental Approvals (Updating RKL-RPL, B3 Waste Storage Permits, Land Application Permits) at the Ministry of Environment and Forestry Registration Date: December 5, 2022 with status still in process at the technical unit.



- Approval of Fulfillment of Environmental Permit Commitment No. 060/DPMPSTP/LENGKUNGAN/II/2021/002 dated January 20, 2021, issued by the Investment and One-Stop Services Office of Bengkalis Regency. The study was carried out due to plans to increase the area of conversion of rubber plantations to palm oil and factory capacity. The total scope is an oil palm plantation area of 11,571 ha and a palm oil mill processing capacity of 100 tons of FFB/hour.
- Changes in Environmental Approval (Updating RKL-RPL) Registration Date: 5-12-2022 with status still in process at the technical unit. Has submitted the Appendix of Technical Approval for the Utilization of Wastewater to Ground accompanied by a study report on the expansion of LA from 100 Ha to 500 Ha (an additional 400 Ha of LA area) January 17, 2023.

The company shows a screenshot of licensing completion at the Ministry of Environment and Forestry, Registration Date: 5-12-2022 with the status still in process at the technical unit.

Companies are encouraged to follow up on the progress of Changes in Environmental Approval including: Updating RKL-RPL; Changes in the area of Application Land; Domestic IPLC; Permit for TPS LB3 at the Ministry of Environment and Forestry. This becomes OFI for the company.

#### **Compliance with Best Management Practice and OHS Aspect**

- The management unit already owns and uses pesticides registered with the Pesticide Commission, such as Prima up with register number RI. 01030120031779 and Metaprima with register number RI. 01030120031897.
- IPM activities according to the best IPM guidelines.
- In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers (DxP) which are recognized by the Indonesian government. Each unit of the Unit of Certification has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website.
- Has a license / competency for some special jobs that require more expertise such as OHS experts, Electrical OHS experts, doctor with hiperkes license, boiler operators, diesel engine operators, welder, loader operators and others in accordance with the requirements contained in the legislation.
- Has provided PPE for all employees in accordance with the risk analysis and is provided for Free.

#### **Compliance with Worker Welfare Aspect**

Certification unit in general has complied with manpower regulation, including:

- The company has complied with the implementation of minimum wages for all employees in accordance with applicable regional regulations (Decree of the Governor of Riau concerning District/City Minimum Wages for year 2022 and 2023).
- Overtime pay for workers in accordance with Government Regulation Number 35 of 2021.
- Implementation of the structure and scale of wages for all levels of workers in accordance with Government Regulation Number 36 of 2021.
- All employees have been registered in *BPJS Ketenagakerjaan* and *BPJS Kesehatan* social security.

#### **2.1.2**

The assessment procedures containing the law are contained in document No: SUST-WNL-LAW-53, dated March 1 2018, which states that sustainability officer has responsibility to arranged and monitored legal related laws and/or regulation. Internal audits on regulatory compliance are carried out once a year. The procedure also states that to monitor and update of laws and/or regulations, the sustainability officer required to actively check and make coordination with Government Agencies or Institutions. The unit of certification has shown a document listing regulations for the 2023 period that are applied in the company's operational area. The document describes several lists of regulations related to legal aspects, BMP, and the environment. OHS, employment, social and others. With this list of regulations, the company can ensure that all ratified local, national and international legal regulations are implemented and complied with by all parties to plantation activities. The list of regulations applies not only to corporate units, but also to all contractors, suppliers and stakeholders who have a relationship with the company, both operationally and those affected. For example, compliance with the latest labor regulations, such as the provision of wages to workers in accordance with the Decree of the Governor of Riau concerning City/District Minimum Wages for 2022 and 2023.

**2.1.3**

The company has BPN standard monitoring and maintenance procedures no. document SOP 4 dated 24 August 2019 revision 3 which explains that the company will assign 3 special officers for monitoring the stakes, providing monitoring equipment in the form of a GPS. The monitoring is carried out once a year.

The company has shown monitoring documents for HGU stakes for 2023. The monitoring records for stakes are equipped with stake numbers, coordinates, photos of HGU stakes and others. Based on the results of field observations to the area of boundary markers No. 001, 003, 006, 206 (Mandau Utara Estate) and stakes No. 78, 79, 80, 87 Mandau Selatan Estate, it is known that all boundary markers are in good condition and there are no indications of planting outside HGU.

**Status: Comply**

**2.2**

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

**2.2.1**

The unit of certification maintains a register of contractors stating the contractor's name, address, telephone number, job description and others. The contractor contacted by the auditor team during the audit activity complies with the information listed in the list of stakeholders. All stakeholders who have a cooperative relationship with the company have also been recorded in the document, such as CPO and PK transporters, hazardous and toxic waste contractors, environmental testing laboratories, etc. The unit of certification has shown a list of contractors for the 2023 period, which is as follows:

- CPO Transport = PT Dalam Maju Bersama
- PK Transport = PT Dongan Yakin Bersama
- FFB Transport = PT Rapat Tanggo Jaya Mandiri, PT Aaron Putra Mandiri, PT Bumi Beringin Tapina, PT Arta Anugra Permata, PT Koto Pait Mandiri, PT Adi Cahaya Makmur, PT Putra Penaso Jaya, PT Parna Jaya Pinggir, PT Wingga Jaya Berkah, PT Indika Jaya Prima, PT Pasto Bersaudara
- Hazardous toxic and waste transport = PT Pratama Saoloan Green
- Maintenance mill = PT Evan Sarana Engineera, PT Abid Pratama Mandiri, PT Anugrah Bintang Abadi
- Construction mill = PT Rahmat Dinamika Mulia
- Spare part and boiler maintenance = PT VH Boiler and Energy
- Security service provider = PT Riau Security Indonesia, PT Citra Matra Angkasa and PT Bintang Riau Perkasa
- Environmental laboratory = PT Wahanatma Hijau MM
- Heavy equipment and construction = PT Indotama Jaya Mas
- Cooperation in health services for workers = Yayasan Muatiara Berkah.

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

**2.2.2**

The unit of certification shows work agreement documents with the contractor. In the cooperation contract it is explained that there is an article which stipulates that contractors must comply with labor regulations that apply in Indonesia. For example, the CPO contractor work agreement document between the certification unit and PT Dongan Yakin Bersama number 02/ADEC-DY BERSAMA/Oa/2023 dated January 2<sup>nd</sup>, 2023. The document explains that the second party must comply with applicable labor regulations, such as paying advertisers' workers, restrictions use of underage workers, provision of work facilities, occupational accident and worker health insurance, etc. In addition, the company also has a mechanism to evaluate all publications that have a cooperative relationship with the company.

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

- Work agreement for contractor workers, for example:
  - Work agreement number 01/RSI-SDM-PK-Riau/II/2023 dated February 1<sup>st</sup>, 2023, which explains that workers with the

- initials RYS are accepted as security at PT Riau Security Indonesia with a work location determined at PT Adei Plantation & Industry. The agreement is valid from February 1<sup>st</sup> – June 30<sup>th</sup>, 2023.
- Work agreement number 025/SPj-CMA/VI/2023 dated June 20<sup>th</sup>, 2023, which explains that workers with the initials JNMR are accepted as security at PT Citra Matra Angkasa with a work location determined at PT Adei Plantation & Industry. The agreement is valid from June 20<sup>th</sup> – September 20<sup>th</sup>, 2023.
  - Work agreement number 001/SPK/IJM/2023 dated January 2<sup>nd</sup>, 2023, which explains that an employee with the initials ANT has been accepted to work as a heavy equipment operator at PT Indotama Jaya Mas. The agreement is valid from January 2<sup>nd</sup> – December 31<sup>st</sup>, 2023.
  - Work agreement number 28/PJP-SPK/2023 dated June 1<sup>st</sup>, 2023, which explains that the worker with the initials AD is accepted to work as a loading/unloading/transporting FFB worker at PT Parna Jaya Pinggir with a work location determined at the Mandau 5 (KMS) plantation of PT Adei Plantation & Industry. The agreement is valid from June 1<sup>st</sup> – August 31<sup>st</sup>, 2023.
  - Work agreement number 001/DYB/II/2023 dated January 3<sup>rd</sup>, 2023, which explains that workers with the initials IK are accepted to work as CPO transport drivers at PT Dongan Yakin Bersama with the determination of work locations at PT Adei Plantation & Industry. The agreement is valid from January 3<sup>rd</sup>, 2023 – January 3<sup>rd</sup>, 2024.
- Proof of *BPJS* payment, for example:
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for 75 workers of PT Riau Security Indonesia on July 18<sup>th</sup>, 2023.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for 100 workers of PT Citra Matra Angkasa on July 4<sup>th</sup>, 2023.
    - Proof of payment for *BPJS Ketenagakerjaan* and *BPJS Health* for the June 2023 period for 82 workers of PT Indotama Jaya Mas on June 9<sup>th</sup>, 2023.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for 21 workers of PT Parna Jaya Pinggir on July 14<sup>th</sup>, 2023.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for 7 workers of PT Dongan Yakin Bersama.
  - Third parties (contractors) show proof of payment of wages to their workers. Here are some examples:
    - Pay slips for 39 securities at PT Riau Security Indonesia who received a basic wage in June 2023 period of IDR 3,599,029.
    - Pay slips for 2 securities at PT Citra Matra Angkasa who received a basic wage in May and June 2023 period of IDR 3,599,029.
    - Pay slips for worker with the initials AN (heavy equipment operator) from PT Indotama Jaya Mas received a total basic wage of IDR 3,855,000 with a basic wage component of IDR 2,150,000 and an attendance allowance of IDR 1,705,000 in June 2023 period.
    - Pay slips for workers with the initials AD (FFB loading and unloading worker) from PT Parna Jaya Pinggir receive wage based on tonnage of FFB transported. The worker received a wage of IDR 3.798.550.
    - Pay slips for workers with the initials IK (CPO transport driver) from PT Dongan Yakin Bersama receive wage based on the number of CPO transportation/trips. The worker received a wage of IDR 3,780,000 for a total of 12 CPO transportation times, meal allowances and other benefits.

Based on the results of interviews with representatives of security service contractors (PT Riau Security Indonesia), information was obtained that payment of wages for security at PT Riau Security Indonesia's based on district/city minimum wages of Bengkalis Regency namely IDR 3.599.029. In addition, the contractor has also included all of their workers in the *BPJS* Employment and Health *BPJS* programs and provided uniforms, work tools and PPE for equipment while working in the operational area of PT Adei Plantation & Industry.

Based on the results of a review of the contractor's work evaluation documents, it is known that the company has conducted an assessment/evaluation of the contractor's performance with the criteria for assessing the quality of work, work suitability, use of PPE & K3, fulfillment of contractor documents, supplier code of ethics and work reports. All sampling contractors (PT Riau Security Indonesia, PT Citra Matra Angkasa, PT Parna Jaya Pinggir, PT Dongan Yakin Bersama, PT Indotama Jaya Mas and Mutiara Berkah Foundation) received good assessment results so that it can be recommended to continue the cooperative relationship with several notes related to compliance contractor documents. Then it was also known that the wages for contractor workers at the Mutiara Berkah Foundation were below the set minimum wage which is IDR 3,000,000/month. Based on the description above, unit of certification are encouraged to ensure monitoring and evaluation of legal compliance for all contracts

with third parties according to applicable regulations. **OFI.**

**2.2.3**

Based on the results of a review of contractor work agreement documents, for example the security service agreement letter number 20/Adei-SPJP-KM/V/2023, it is explained that contractors are required to provide PPE for their workers, guarantee and involve all workers in the BPJS Employment and BPJS Health programs, not employ children under the age of 18, do not perform forced or illegal labor and provide wages that are equal to or exceed the minimum wage applicable in the government. Then, based on interviews with the contractors (PT Riau Security Indonesia and PT Indotama Jaya Mas), information was obtained that contractor representatives were able to explain some of the prohibitions in accordance with labor laws, such as the prohibition on the use of underage workers, forced labor and human trafficking.

As a form of compliance with the implementation of the clauses contained in the work agreement, the certification unit evaluates the performance of the contractor as outlined in the Contractor Work Evaluation. The criteria assessed in the evaluation are quality of work, suitability of work, use of PPE and application of OHS, compliance with contractor documents, supplier code of ethics and work reports. The unit of certification shows several contractor work evaluation documents, for example the contractor for renting heavy equipment and building construction for the assessment period of June 30<sup>th</sup>, 2022, received good marks so that the unit of certification recommends continuing the work again in the next period.

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

**Status: Comply**

**2.3**

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

**2.3.1 & 2.3.2**

Based on the results of interviews with weighing operators, reviews of records of FFB receipts, the company does not accept FFB from other sources, collectors (indirect sources) or other independent farmers.

**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 certification unit has shown a long-term plan (5-year plan) for the period 2021 – 2025 for PT Adei Plantation & Industry. The long-term plan explains maintenance costs, fertilizer costs, harvest costs, transport costs, depreciation, FFB production, OER, KER, CPO production, Kernel production, production prices, CPO prices, and company profits. Based on interviews with company representatives, it is known that the company's bookkeeping period is October 2023 – September 2024. The results of the document review, it is known that for the period October 2023 - September 2024 it is known that the FFB projection is only from the own estate, because The CH does not yet have plasma. It is known that the projected FFB entered 256,822 tonnes, yield 23% worth 59,069 tonnes.

**3.1.2**

The CH has a replanting plan planned for 2022 to 2027, but until the audit is carried out in general it has not been realized. Based on field observations, it is known that the replanting was carried out only for a research project covering an area of 48 ha in Block 2023A KMU (Estate Mandau Utara). The results of field observations note that the chipping process has been completed, and currently the process of planting LCC.

Regarding the implementation of replanting for the entire block, the results of the management review regarding the postponement of replanting have been submitted. The results of the document review show that the yield per ha per year is more than 25 tons/ha/year. This is a consideration for management to postpone the implementation of replanting. Apart from

that, we are also waiting for a research project to try out the latest variant of oil palm seeds.

### 3.1.3

The CH has a procedure associated with operational internal audit in the SSOP No. 21. Implementation of Management Review. The SOP was approved by the R&D Director, entered into force on 22 May 2020. Ensuring consistency of procedures implementation, the companies routinely conduct management review activities on the sustainability of both agronomic and processing. The records of management review have been documented. Besides that, management reviews are also usually carried out with field observations carried out by Top Management. Here are some of them:

- Riau Region (Mandau) Visit conducted by President Director, on 12 – 14 April 2023. Some of the things that were discussed were the statement area, FFB Yields around 27 tons/ha for all planting years, starting with etiolation, several flood points as the impact of toll road construction, bagworm pest control if any, and anticipating theft.
- Review of the RSPO, ISPO, and SCCS internal audit results on June 2, 2023 with participants from OHS Experts and work unit sustainability (Estate and Mill). Several things were discussed, such as the discipline in using PPE, unsafe conditions at work, emergency response equipment in housing, and the application of LOTO.

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 company shows evidence of implementation for continuous improvement which is shown as follows:

#### Social and Environmental Aspect

- 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.
- Construction of a Hexane Plant to optimize CPO production from empty fields.
- Construction of a Biogas Power Plant using methane gas (POME).
- The use of renewable energy accordance to reduce the use of fossil fuels.
- Waste management and monitoring through WWTP pond management, testing the quality of the effluent and reporting it to the Environmental Agency.
- Air quality management and monitoring through several action like road maintenance, air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.

#### Best Management Practices Aspect

- The EFB application uses the Badang tool.

#### Worker Welfare Aspect

- Routine health checks conducted every 6 months.
- There is an application of finger print technology for attendance.

The company has carried out an internal RSPO audit conducted on 22-27 May 2023 which was carried out by the company's internal audit team. The results of the internal audit found 4 discrepancies. All of these discrepancies have been corrected by the company on July 15, 2023.

The company has carried out a Management Review as indicated in the Mandau Management Review Document on 30 January 2023 for operations and 2 June 2023 for internal audit results. As for the discussion in the management review such as achieving production targets, OER, KER, Throughput, internal audit and external audit results.



**3.2.2**

The company has shown the auditors the RSPO metric template Version 2.1 for the period January – December 2022 which has been filled in according to the facts and data in the company record documents, such as the number of workers, production area to work accident records. Based on the audit team's review, the information has been matched against other documents such as supply chain records, employment demographics, etc.

**Status: Comply**

**3.3**

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

**3.3.1**

The CH already has an estates SOP (starting from Land Clearing to Harvest) and SOP of the mill (starting from receipt of FFB to shipment of CPO & PKO) that has been documented, including in the revised SOP Sustainability document dated August 10, 2017 and authorized by the General Manager. The SOP includes major processes such as harvesting (SOP number 10), transportation (SOP number 11), fertilization (SOP number 7C), IPM (SOP number 17) and supply chain (SOPs 31 and 32). During an audit, a copy of the SOP is available at the audit site and in the Indonesian language.

The results of field observations at all assessment locations during the audit were carried out, it was found that the workers had carried out the work according to procedures. Both in estate and at POM.

Based on procedure documents review, it could be concluded that the oil palm agronomy, processing and safety procedures are still relevant to the current situation and cover all main aspects from the field to the mill. All procedures are available in Bahasa. However, estates and mill employees' understanding towards technical and safety matters is considered very satisfactory.

**3.3.2 and 3.3.3**

The Certification Unit has a procedure associated with operational internal audit in the SSOP No. 21. Implementation of Management Review. The SOP was approved by the R&D Director, entered into force on 22 May 2020. Ensuring consistency of procedures implementation, the companies routinely conduct management review activities on the sustainability of both agronomic and processing. The records of management review have been documented. Besides that, management reviews are also usually carried out with field observations carried out by Top Management. Here are some of them:

- Riau Region (Mandau) Visit conducted by President Director, on 12 – 14 April 2023. Some of the things that were discussed were the statement area, FFB Yields around 27 tons/ha for all planting years, starting with etiolation, several flood points as the impact of toll road construction, bagworm pest control if any, and anticipating theft.
- Review of the RSPO, ISPO, and SCCS internal audit results on June 2, 2023 with participants from OHS Experts and work unit sustainability (Estate and Mill). Several things were discussed, such as the discipline in using PPE, unsafe conditions at work, emergency response equipment in housing, and the application of LOTO.
- Summary report of agricultural audit of harvest and factory conducted 10 – 20 May 2023, with a range of discussions including FFB quality, unquoted Brindolan, oil losses, unstripped bunch, kernel losses, mill throughput, etc.

Based on document review, it was found that internal records regarding the progress of repairs had been carried out by the company. For example, for non-conformities found in the RSPO internal audit, all have been declared closed in July 2023. Records of internal monitoring and corrective actions that have been taken have been shown.

Meanwhile, regarding Contractor compliance, it has been verified 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**

**Environmental Impact Assessment**

Company has conducted environmental impact assessments for plantation and mill operations within scope of PT ADEI as shown below:

- Environmental document (AMDAL) for PT. ADEI in 1999 with plantation area of 14,900 ha (8,900 ha of oil palm and 6,000 ha of rubber) and mill capacity (80 tons of FFB/hour of Palm Oil and 3 tons of Rubber/hour). This document has been approved by Director General of Nature Protection and Conservation/Chairman of the Central AMDAL Commission of Ministry of Forestry and Plantations No. 86/DJ.VI/AMDAL/1999, dated 6 July 1999.
- Environmental document (UKL/UPL) for the Conversion of Rubber Plants to Oil Palm, which is in accordance with the recommendation letter from the Environmental Agency of Bengkalis District No. 660/BLH-PPDL/22/2011, dated 11 November 2011. The scope of the UKL/UPL study is 2,594 ha.
- Environmental document in 2017 based on Decree of Regent No. 177/KPTS/W/2017 concerning environmental feasibility of plantation and palm oil mill development in Bengkalis by PT Adei Plantation & Industry. This study was conducted due to the plan to increase the extent of conversion of rubber crops into palm oil and mill capacity (plan). Total area of scope is 14,900 ha and processing capacity of CPO 100 tons FFB/hr.

### **Social Impact Assessment**

Social Impact Assessment conducted in collaboration with Aksenta on 24-31 October 2011, method of assessment such as focus group discussion, interview on field (direct) and observation. The villages visited include Muara Basung Village, Tenggau Village, Balai Pungut Village, Beringin Village, Kuala Penaso Village, Pinggir Sub-district Office, Semunai Village, Titian Antui Village, and Balai Raja Village.

#### **3.4.2**

The company already has a matrix for environmental management and environmental monitoring from the approved AMDAL document consisting of the Construction, Operation Phase.

The matrix for monitoring for the operation phase includes:

- Increased domestic wastewater
- Decline in River Water Quality
- Disturbance to aquatic biota (plankton and benthos)
- Increased air emissions
- Decreased ambient air quality
- Increased noise intensity around the factory area
- Dust increase
- Deterioration of ground water quality
- Employment opportunities and public perception of the company's existence
- B3 waste generation
- Domestic solid waste generation
- Forest or estate fires
- Occupational Health and Safety.

### **Social Impact Assessment**

The company has carried out an evaluation of the SIA management and monitoring program for the 2021-2022 period. SIA management and monitoring program for the 2022-2023 period has informed the issues of stakeholders, social impacts (positive and negative), affected stakeholders, actions, person in charge (PR and Manager), completion targets and status. Management and monitoring of external social impacts, there are issues in several aspects as follows:

- Implementation of Corporate Social Responsibility (CSR)
- TORA Program (Land Object for Agrarian Reform)
- Environmental Development and Economic Improvement
- Plasma Plantation Development
- Business Opportunities
- Health

- Infrastructure
- Environmental Sustainability
- Environmental pollution
- Existence of Indigenous People/Indigenous Peoples/Local Communities/Immigrants/Youth/Women.
- Village *Musrebangdes*.

Management and monitoring of internal social impacts, there are issues in the following aspects:

- Housing conditions
- School/Child/Kindergarten/Elementary School/School bus:
- PPE: Employees are not disciplined in using it
- Clean water/electricity
- Domestic waste
- Social
- Environments.

A review of the environmental and social management and monitoring plan was carried out by means of a questionnaire and involved internal stakeholders such as Labor Unions, and employees and the surrounding village communities such as Semunai Village, Balai Pungut, Tenganau, Titan Antui, Kuala Penaso, Balai Raja, and Muara Basung which was carried out on December 2022.

From the results of the document review, the company has involved stakeholders in capturing issues that will occur in the company, both positive and negative impacts.

Based on this explanation, the company has shown evidence of environmental management by involving internal workers and the surrounding community.

### 3.4.3

The company already has a matrix for environmental management and environmental monitoring from the approved AMDAL document consisting of the Construction, Operation Phase.

The matrix for monitoring for the operation phase includes:

- Increased domestic wastewater
- Decline in River Water Quality
- Disturbance to aquatic biota (plankton and benthos)
- Increased air emissions
- Decreased ambient air quality
- Increased noise intensity around the factory area
- Dust increase
- Deterioration of ground water quality
- Employment opportunities and public perception of the company's existence
- B3 waste generation
- Domestic solid waste generation
- Forest or estate fires
- Occupational Health and Safety.

The company has also reported RKL-RPL in the semester I 2022, among others to:

- Bengkalis Regency Environmental Service through Pos Indonesia 13 September 2022
- Riau Province Environmental Service through POS Indonesia on September 2, 2022
- Ministry of Environment and Forestry on TTE number 1663341991-1694.

Company has demonstrated the implementation of SIA management in 2022, for example

- Cement assistance for the construction of houses of worship



- Giving sacrificial animals
- Assistance in repairing child care facilities
- Providing basic necessities
- Repair of village connecting roads
- Providing scholarships.

Status: Comply

### 3.5

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

##### 3.5.1

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

- Sustainability Standard Operating Procedures (SSOP) Number 29 regarding employee management. The document describes the mechanisms for recruiting and interviewing/selection of workers, registration and acceptance of workers, employee evaluation/assessment, career paths, worker training, etc.
- CLA for the 2021 – 2023 period which explains all labor regulations, for example regarding recruitment of workers, worker status, employment relations, termination of employment, pensions, severance pay and other awards, and other regulations.

Routine socialization regarding procedures and CLA is given to workers. For example, socialization in MPOM unit which was held on August 3<sup>rd</sup>, 2021 or during the morning assembly in each unit before starting work. Based on the results of interviews with workers in estate and mill units as well as bipartite representatives, it is known that workers have understood the recruitment, selection, promotion and other employment procedures contained in CLA and other procedures.

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

##### 3.5.2

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

- Letter number 06/AD-KMU/II/2023 regarding job vacancy information for PT Adei Plantation & Industry Kebun Mandau Utara for harvesting work for the period February 2023. The job vacancy information contains no indication of collecting recruitment fees and retaining personal identification documents.
- Labor recruitment, for example in the KMS unit, an employee with the initials MS sends an application letter attaching identity documents (copy of e-KTP, family card, recent educational history/diploma, health check results, Covid-19 vaccination certificate, etc.). Workers are accepted to work as permanent workers on condition that they undergo a probationary period of 3 months. Then the certification unit shows the *PKWTT* work agreement letter number AD-KMS/19/PKWTT/XI/2022 dated November 30<sup>th</sup>, 2022, and letter number AD-KMS/03/II/2023 dated February 24<sup>th</sup>, 2023, which explains that the worker with the initials MS has graduated within the probationary and determined as permanent workers on March 1<sup>st</sup>, 2023. At the recruitment stage, the workforce has been selected based on the applicable procedures, namely through the stages of administrative selection, medical examinations, and interviews. Then, the unit of certification also shows supporting evidence in the form of copies of work agreement documents given to workers. This is shown in the proof of handing over a copy of the work agreement. In addition, the unit of certification also shows the Documents for Submission of Information on the New Worker Induction Program and the Declaration of No Recruitment Fee Collection which was signed by the worker on December 8<sup>th</sup>, 2022.
- Promotion for workers with the initials MRD listed in the decree number AD-Pers/SKPTS/033/2022 dated 17 November 2022. The document describes the results of the promotion for workers with the initials MRD who were promoted from office administration to field staff/supervisors at the Mandau plantation unit 2 (KMU). The unit of certification also shows the results of an employee performance appraisal with the initials MRD with several assessment criteria which are the basis for considering employee promotions, for example teamwork, job knowledge, diligence, initiative, integrity, loyalty, intelligent, disciplined, practical, administrative ability.
- Termination of employment as stated in the joint agreement document number 205/PHK-KMS/VIII/2023. The document explains the termination of employment for workers with the initials FBH for violating CLA article 32 and PP No. 35 of 2021

Article 51 regarding being absent for 5 working days or more consecutively without written explanation. The unit of certification has also issued warning letters 1, 2 and 3, namely on 14 April 2023, 17 April 2023 and 18 April 2023. Then, the unit of certification terminates the employment of these workers starting from 20 April 2023. The unit of certification has given money severance pay and compensation for rights, the calculation of which is in accordance with the applicable laws and regulations (PP Number 35 of 2021).

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

Status: Comply

### 3.6

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

##### 3.6.1

##### Hazard Identification Risk Assessment and Control

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

Based on document review found that work accidents occurred during repeated harvesting activities, including being struck by fallen fronds and punctured by thorns. In addition, from the results of OHS Committee meetings from January to April 2023, mitigation is carried out by carrying out safety briefings, using PPE, and harvesting training. The Harvest Training was carried out in April, and the results of PPE field observations have been fulfilled, but harvest work accidents still occur due to fallen fronds and pricked by thorns, so that at the OHS Committee meeting in May 2023 it was decided to review the HIRAC.

Based on this, companies are encouraged to monitor the effectiveness of the HIRAC review results to mitigate work accidents, especially in harvesting activities. This becomes an OFI for the company.

##### OHS Program

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

##### The realization of the OHS plan

- **Medical checkup:**

Periodic health checks for all workers and special checks for high-risk workers are contained in the SMK3 Plan which are carried out periodically. The implementation of the 2023 Health check coincides with the implementation of the audit, namely in July 2023. Meanwhile in 2022 it will be carried out in June 2022 and the results will be out on September 9 2022. For example, the implementation of MCU KM 1, KM 2, KM 5, KM 6 for physical examination and the blood of a number of 903 workers are all fit to work.

- **Examination of OHS aspects:**

Includes among others a vibration inspection at Mandau Mill from 21 February to 13 March 2023 with results below the normal threshold, noise inspection from 21 February to 13 March 2023 with results of 64.1 dB still below the threshold, periodic PPE completeness checks, periodic inspection of fire extinguishers, first aid kit including first aid bag periodically. There are daily, weekly and monthly checks. The official in charge is the secretary of the K3 Committee.

- **OHS Training and Outreach:**

Routine briefings are carried out every morning. The themes discussed included the obligation to use PPE, safe working methods, handling work accidents, basic first aid training to outreach about the Covid-19 pandemic.

- **Work accident monitoring:**

During the period January - June 2023 in the Mandau Mill and estate area there was a fatality work accident and some

caused work days to be lost. The work accident has been reported to the relevant Office in the OHS committee report. For a fatality work accident that occurred on March 30, 2023, it occurred to a Quick operator who was involved in an accident that was crushed by the Quick canopy. Investigations have been carried out, reporting to BPJS Employment, submission of JKM and JHT payments, evaluations related to work accidents, follow-up with HIRAC evaluations and training refreshments for all Quick Operators.

The results of the document review found that work accidents occurred during repeated harvesting activities, including being struck by fallen fronds and punctured by thorns. In addition, from the results of P2K3 meetings from January to April 2023, mitigation is carried out by carrying out safety briefings, using PPE, and harvesting training. The Harvest Training was carried out in April, and the results of PPE field observations have been fulfilled, but harvest work accidents still occur due to fallen fronds and pricked by thorns, so that at the P2K3 meeting in May 2023 it was decided to review the HIRAC.

Based on this, companies are encouraged to monitor the effectiveness of the HIRAC review results to mitigate work accidents, especially in harvesting activities. This becomes OFI for the company.

**3.6.2**

The CH conducts periodic management reviews, including those related to sustainability. Review of the RSPO, ISPO, and SCCS internal audit results on June 2, 2023 with participants from OHS Experts and work unit sustainability (Estate and Mill). Several things were discussed, such as the discipline in using PPE, unsafe conditions at work, emergency response equipment in housing, and the application of LOTO.

The CH also has an OHS Committee in each unit which is responsible for the implementation of OHS aspects. One of the activities of the OHS Committee is to conduct monthly evaluations regarding the implementation of the OHS program. For example, at the Mandau Mill OHS Committee meeting on 30 June 2023 which was attended by 13 members. Among them discussed OHS training and socialization, aspects of OHS and PPE, as well as housekeeping.

**Status: Comply**

**3.7**

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

**3.7.1**

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

- Training on work techniques (harvest, spraying, manuring, etc), IPM, pest and disease census, first aid, fire simulation, quick & loader operator training, aircraft lift training, and training for chemical and hydrocarbon warehouse staff for plantation workers.
- Training on operator work techniques (OHS training of steam aircraft, production aircraft, wheel loaders, etc), first aid, PPE, HIRAC, fire extinguisher, emergency response, hazardous toxic and waste, domestic waste sorting, company policy, etc. for mill workers.
- Training and socialization of RSPO, ISPO, company policy and communication and complaint procedures for contractor workers, smallholders, stakeholders and communities around the company.

Based on the results of interviews with workers in estate and mill units as well as contractor representative (PT Riau Security Indonesia, PT Dongan Yakin Bersama, PT Parna Jaya Pinggir and PT Indotama Jaya Mas), it is known that every year the company organizes training and outreach programs to all parties around the company. The resource persons also understood the results of the training activities, for example, all process operators at the factory stated that they had received training on how to operate process equipment at the factory according to their respective stations, such as sterilizers, presses, boilers, machine rooms, and others.

**3.7.2**

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

- Kernel plant operator training which was held on December 9<sup>th</sup>, 2022 and was attended by 7 workers.
- WWTP operator training which was held on January 25<sup>th</sup>, 2023 and was attended by 2 workers.

- Harvest training which was held on April 11<sup>th</sup>, 2023 and was attended by 19 workers.
- Spray training which was held on March 6<sup>th</sup>, 2023 and was attended by 6 workers.
- First aid training which was held on July 12<sup>th</sup>, 2023 and was attended by 50 workers.
- HIRAC training which was held on June 14<sup>th</sup>, 2023 and was attended by 14 workers and contractor management representatives.

Based on the results of interviews workers in estate and mill units as well as contractor representative (PT Riau Security Indonesia, PT Dongan Yakin Bersama, PT Parna Jaya Pinggir and PT Indotama Jaya Mas), it is known that every year the company organizes training and outreach programs to all parties around the company. The resource persons also understood the results of the training activities. For example, the spray workers in Block 15E of Mandau 4 Estate (KMS) unit stated that all sprayers had received training on how to spray, calibrate spray equipment, etc.

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

**3.7.3**

The Company showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, and related stakeholders. The training of SCCS had been conducted on 15 March 2023 for weighbridge operator, laboratory, and admin. Based on the interview with all workers involved in supply chain operations, such as security (for FFB receiving verification), weighbridge operator (for dividing amount of certified and uncertified sourced), and the PIC related to supply chain, they have been understood the supply chain mechanism, and the book keeping record has conducted and monitored quite well.

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1 & 3.8.2**

Until ASA-2.1 assessment, facility implemented two model of SCCS Module D (Identity Preserved) and Module E (Mass Balance). However based on documents verifications of list of FFB supplier related in last 12 months before audit (July 2022 – June 2023) it was known if all entire FFB is from RSPO certified estate.

**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-2.1 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:

	Last Year Projected Certified Volume + Extension Volume (MT)	Actual production in last 12 months (July 2022 – June 2023) + Opening Stock (MT)	Estimation for the next 12 months
FFB Process IP	344,189	279,832.37	278,000
FFB Process MB	30,500	-	30,000
CPO Production IP	76,168	66,516.37	61,160
CPO Production MB	6,700	-	6,600
Palm Kernel (PK) Production IP	15,442	11,641.58	11,120
Palm Kernel (PK) Production MB	1,225	-	1,200

Based on the table above, it is known that there is no overproduction carried out 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: Mandau Palm Oil Mill PT Adei Plantation & Industry
- License ID: CB140253
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000000411
- RSPO Membership Number: 1-0014-04-000-00
- Type of Business: Oil Mill

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

### 3.8.5

Mandau POM has procedures related to supply chain in Supply Chain Documentation – MB Model No. SSOP 31 5th Revision dated 2 March 2021. The procedure explains the person in charge of the supply chain and details for each supply chain activity, for example related to training, transaction registration, and recording from receipt, storage, sale, handling of non-conforming products, and reporting. The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 02 May 2020).

Mechanisms for handling unsuitable oil palm products and / or documents are also listed in SOP Sustainability No. 31 on Supply Chain Documentation - the MB model stating that the marketing division is responsible for issuing sales contracts, arranging shipments, and making claims for product incompatibility and issuing payment invoice.

Based on the interviews with all workers involved in supply chain operations, such as security (for FFB receiving verification), weighbridge operator (for dividing amount of certified and uncertified sources), and the PIC related to supply chain, they have understood the supply chain mechanism, and the book keeping record has been conducted and monitored quite well in accordance with existing procedures.

### 3.8.6

The company has carried out an internal audit of the RSPO including the SCCS indicator which was carried out on 22-27 May 2023 which was carried out by the company's internal audit team. The results of the internal audit found 4 discrepancies but not for the SCCS indicator. All of these discrepancies have been corrected by the company on July 15, 2023.

The company has carried out a Management Review as indicated in the Mandau Management Review Document on 30 January 2023 for operations and 2 June 2023 for internal audit results. One of the discussions is related to the implementation of SCCS which will always be reviewed every month.

### 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 which is July 2022 – June 2023:

Periode	FFB (Ton)		
	Certified	Non Certified	Total
July 22	24,259.46	-	24,259.46
August 22	30,163.91	-	30,163.91
September 22	30,711.12	-	30,711.12
October 22	23,532.62	-	23,532.62
November 22	26,677.89	-	26,677.89
December 22	27,199.62	-	27,199.62
January 23	22,766.55	-	22,766.55



February 23	17,146.65	-	17,146.65
March 23	15,759.99	-	15,759.99
April 23	15,055.13	-	15,055.13
May 23	25,034.74	-	25,034.74
June 23	21,524.69	-	21,524.69
<b>Total</b>	<b>279,832.37</b>	-	<b>279,832.37</b>

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-2.1 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:

	Last Year Projected Certified Volume + Extension Volume (MT)	Actual production in last 12 months (July 2022 – June 2023) + Opening Stock (MT)
FFB Process IP	344,189	279,832.37
FFB Process MB	30,500	-
CPO Production IP	76,168	66,516.37
CPO Production MB	6,700	-
Palm Kernel (PK) Production IP	15,442	11,641.58
Palm Kernel (PK) Production MB	1,225	-

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

The company also has a mechanism for handling FFB and/or non-conforming documents listed in the Supply Chain Documentation SOP with Document Number SSOP 31 Revision 5 dated March 2, 2021. The SOP explains that handling non-compliant products/documents is done by:

- An investigation is carried out to formulate the root of the problem so that appropriate corrective and preventive actions can be taken.
- Evidence of corrective and preventive actions must be documented.
- During the management review of these matters the effectiveness of the preventive measures taken should be discussed.

### 3.8.8

Based on documents verifications, interview with management as well as verification through Palm Trace it was known during period July 2022 – June 2023 there are 25,619.22 MT CSPO; 11,516.73 MT CSPK, 36,070.89 MT CSPO sold under Other Scheme (ISCC), and 3,500 MT CSPO Sold sold under Conventional. Based on documents verification, it was known that the CSPO and CSPK from the Mill were sold has met the requirements of certified product information. The selling documentations shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number (unique code), certificate number, sender name and address of the seller. For example, CSPO certified delivery on 17 April 2023 with shipping announcement TR-185ab683-9b22. The information provided on invoices are:

- The name and address of the buyer (PT Intibenua Perkasatama);
- The name and address of the seller (PT Adei Plantation & Industry – Mandau Palm Oil Mill);
- The loading or shipment / delivery date (03 April 2023);
- A description of the product supply chain model (IP);
- The date on which the documents were issued (31 March 2023);
- The quantity of the products delivered (1,000,000 Kg);
- Any related transport documentation (transport by PT Dalan Maju Bersama);
- A unique identification number (1802/CPO/MDU);
- RSPO certificate number (Mutu-RSPO/021);

- Etc.

### 3.8.9 – 3.8.11

Outsource for certified product handling has only for CPO and PK transportation activities, with agreements presented as follows:

- CPO transportation agreement with PT Dalan Maju Bersama through Agreement No. 03/ADEC-DM BERSAMA/Oa/2023 dated 02 January 2023 with a validity period of up to December 31, 2023. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 7.
- PK transportation agreement with PT Dongan Yakin Bersama through Agreement No. 02/ADEC-DM BERSAMA/Oa/2023 dated 02 January 2023 with a validity period of up to December 31, 2023. Clauses that mention contractor's commitment towards several regulation compliance which required by Indonesian Laws and/or Regulations, RSPO, SCCS, OSH and ISO system, as well as willingness to be audited by the Certificate Body appointed by PTPN IV are presented in Article 7.

From the data above, there is no change in the presence of contractors from the previous assessment. From the results of interviews with the two contractors, the contractors have acknowledged that as certified product carriers they must follow the requirements of the RSPO certification system and be ready to be audited at any time by a certification body.

### 3.8.12

The Mill has maintained accurate, complete, and up to date records related RSPO Supply Chain implementation that kept at least 2 years in accordance with Mill's procedure. The records 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 noncertified, total sold), as well as balance/stock of certified products.

The Mill balancing the certified products and dispatch on a monthly basis. The summary of Mass Balance data 12 months previous the audit can be seen on the table below:

Period	CPO Production (ton)			CSPO Despatch (ton)			
	Certified	Non-Certified	Total	RSPO	Other Scheme (ISCC)	Conventional	Total
<b>Stock</b>	<b>6,109.086</b>	-	<b>6,109.086</b>				
July 22	5,349.637	-	5,349.637	1,726.080	4,284.110	0	6,010.190
August 22	6,493.653	-	6,493.653	1,475.750	5,877.310	0	7,353.060
September 22	6,276.449	-	6,276.449	548.180	6,608.690	0	7,156.870
October 22	5,049.792	-	5,049.792	0	5,316.190	0	5,316.190
November 22	5,826.723	-	5,826.723	2,859.230	3,338.170	0	6,197.400
December 22	5,920.774	-	5,920.774	3,646.860	3,687.940	0	7,334.800
January 23	5,033.346	-	5,033.346	2,077.770	3,574.820	0	5,652.590
February 23	3,857.453	-	3,857.453	2,179.140	1,503.500	0	3,682.640
March 23	3,333.967	-	3,333.967	500.000	0	3,500.000	4,000.000
April 23	3,254.070	-	3,254.070	1,883.880	0	0	1,883.880
May 23	5,428.556	-	5,428.556	5,266.760	0	0	5,266.760
June 23	4,582.857	-	4,582.857	3,455.570	1,880.169	0	5,335.739
<b>Total (July 2022 – June 2023)</b>	<b>60,407.279</b>	-	<b>60,407.279</b>	<b>25,619.220</b>	<b>36,070.899</b>	<b>3,500.000</b>	<b>65,190.119</b>

2023)							
<b>Grand Total</b>	<b>66,516.365</b>	<b>-</b>	<b>66,516.365</b>	<b>25,619.220</b>	<b>36,070.89</b>	<b>3,500.000</b>	<b>65,190.119</b>

Period	PK Production (ton)			PK Despatch (ton)			
	Certified	Non-Certified	Total	RSPO	Other Scheme	Conventional	Total
<b>Stock</b>	<b>330.578</b>	<b>-</b>	<b>330.578</b>				
July 22	916.086	-	916.086	978.180	-	-	978.180
August 22	1,185.354	-	1,185.354	1,155.610	-	-	1,155.610
September 22	1,238.911	-	1,238.911	1,030.270	-	-	1,030.270
October 22	961.627	-	961.627	1,150.060	-	-	1,150.060
November 22	1,109.168	-	1,109.168	1,184.150	-	-	1,184.150
December 22	1,112.038	-	1,112.038	1,195.250	-	-	1,195.250
January 23	972.676	-	972.676	988.030	-	-	988.030
February 23	703.149	-	703.149	684.830	-	-	684.830
March 23	640.215	-	640.215	731.960	-	-	731.960
April 23	607.331	-	607.331	481.360	-	-	481.360
May 23	1,000.725	-	1,000.725	1,015.510	-	-	1,015.510
June 23	863.716	-	863.716	921.520	-	-	921.520
<b>Total (July 2022 – June 2023)</b>	<b>11,310.997</b>	<b>-</b>	<b>11,310.997</b>	<b>11,516.730</b>	<b>-</b>	<b>-</b>	<b>11,516.730</b>
<b>Grand Total</b>	<b>11,641.575</b>	<b>-</b>	<b>11,641.575</b>	<b>11,516.730</b>			<b>11,516.730</b>

### 3.8.13 – 3.8.15

Mandau POM has determined the extraction rate for CPO and PK to be produced. Based on actual production of CPO and PK for last 12-month period. The Extraction rate for production projections will be update annually based on the actual production of CPO and PK and company procedure (Work Guide on Palm Oil Mill, 1 March 2021).

### 3.8.16

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 document verification and interview with management representative obtained information in last 12 months before audit (July 2022 – June 2023) it was known the product only sold under certified product as described in table below:

	Dispatch period (MT)	
	July 2022 – June 2023	Total
CSPO sold under RSPO Scheme	25,619.22	25,619.22
CSPO sold under other scheme	36,070.89	36,070.89
CSPO sold as conventional	3,500	3,500
CSPK sold under RSPO Scheme	11,516.73	11,516.73
CSPK sold under other scheme	-	-
CSPK sold as conventional	-	-



RSPO IT Platform member registration number for Mandau POM is RSPO\_PO1000000411. 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 (3) months after dispatch. For example:

- CSPO sold to PT Intibenua Perkasatama dated 12 April 2023 for 997.02 MT and transaction creates in IT Palm Trace dated 17 April 2023 with Transaction ID TR-185ab683-9b22.
- CSPK sold to PT Adei Plantation & Industry – Mandau Kernel Crushing Plant dated 31 March 2023 for 800 MT and transaction creates in IT Palm Trace dated 02 May 2023 with Transaction ID TR-43ed991a-dd94.

**Removing Stock & Credit Allocation**

- Transaction ID ST-TR-11b154b9-e1d9 dated 09 March 2023 CSPO Removing from certified stock for 8,738.31 MT.
- Transaction ID ST-TR-7c9cddf7-4fb6 dated 09 March 2023 CSPO Removing from certified stock for 15,742.64 MT.
- Transaction ID ST-TR-d49efab9-92ea dated 25 May 2023 CSPO Credit Allocation for 3,500 MT.

**3.8.17**

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

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

**Status: Comply**

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

**4.1**

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

**4.1.1**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to the Human Rights Policy from the previous audit. Unit of Certification already has KLK Sustainability Policy on August 20<sup>th</sup>, 2018, on page 4 and page 6 respecting and recognizing rights at work explains:

- Recognizes the inherent dignity of each person and supports the Universal Declaration of Human Rights by the United Nations.
- Respect and uphold the rights of all workers, including contract workers, temporary and migrants, with the core conventions of international labor organizations, the UN guiding principles on Business and Human Rights and the principles of free and fair employment in Palm Oil production as a guide.
- Prohibition of intimidation and harassment by the unit of certification and contracted services, including contracted security forces.

This policy is available in Indonesian and has been communicated to all employees and external stakeholders. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the estate and mill unit, they already understood the Labor and Human Rights Policy that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

Based on the results of interviews with labor union representatives, gender committee representatives, stakeholders (PT Riau Security Indonesia, PT Dongan Yakin Bersama, PT Parna Jaya Pinggir and PT Indotama Jaya Mas), it is known that there were no incidents of human rights violations in the certification unit, no employees were intimidated and/or experienced violence by the certification unit.

**4.1.2**

The unit of certification does not have records regarding the use of force/army/paramilitary in resolving conflicts/problems that exist between the unit of certification and relevant stakeholders (local communities, workers, or others). This has been stated in KLK Sustainability Policy on August 20<sup>th</sup>, 2018.

Based on the results of interviews with labor union representatives, gender committee representatives, stakeholders (PT Riau Security Indonesia, PT Dongan Yakin Bersama, PT Parna Jaya Pinggir and PT Indotama Jaya Mas), it is known that the unit of certification does not use paramilitaries or mercenaries in the company's operational areas. If there is a problem, it will be resolved by means of deliberation without resorting to violence. Resolution of conflicts/problems with deliberations is quite effective. In addition, during the interview process to resolve the problem it was discovered that there were no indications of violence or coercion.

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**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to procedures for requesting and providing information, communication and complaint assistance from the previous audit. Unit of Certification has system for dealing with complaints and grievances based on procedure for requesting and providing information as well as communication and submission of complaints No. SSOP 1 Revision 4 on 25 October 2021. This SOP describes the types of complaints submitted, for example: terms and conditions of work, OHS, violence and discrimination, harassment and abuse of authority. This procedure is used for handling reports and complaints from internal and external stakeholders. In the procedure, it is stated that the complaint resolution period is 14 days from the time the complaint is received. Information regarding the receipt of the complaint must be communicated to the complainant. In addition, the procedure also regulates confidentiality and legal protection for the complainant (whistleblower until the complaint is resolved. If the reporting party/complaint is not satisfied and an agreement cannot be reached, the settlement of the reporting/complaint case can be continued to the mediator and the settlement through a third party (tripartite) or it can follow up the next step or go through the process to the RSPO.

The results of interviews with daycare workers in each estate unit, process operators at the mill unit, contractors (PT Riau Security Indonesia, PT Dongan Yakin Bersama, PT Parna Jaya Pinggir and PT Indotama Jaya Mas), and government agencies in Bengkalis Regency, it is known that they understand how to communicate and consult with companies because procedures related to complaints and conflicts have been submitted periodically to all parties. For example, the socialization which was held March 2023, at Mandu 5 Estate (KMS) unit. Then, based on the results of field visits in the company's operational areas, there are whistle blowing sign boards that have been installed in public places such as in employee housing locations, in front of estate offices, and other strategic locations. With the existence of the sign board, it is expected that all parties can easily inform complaints/conflicts to the appointed communicator in the event of irregularities or violations that occur within the certification unit. The interviewee also stated that the system implemented by the company to report complaints has been effectively implemented and the complaints submitted have also been resolved on time according to applicable procedures.

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

**4.2.2**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to procedures for requesting and providing information, communication and complaint assistance from the previous audit. Unit of Certification has a policy regarding the delivery of information/complaint to parties who cannot read and write based on procedure for requesting and providing information as well as communication and submission of complaints No. SSOP 1 Revision 4 on 25 October 2021. The policy states that parties who cannot read and write can be accompanied by a trusted representative or carried out by displaying the procedure in writing or by showing pictures to explain related procedures that are owned. The certification unit also has a labor union and a gender committee which regularly hold meetings with workers, one of the agendas of which is to accommodate problems and complaints directed at the certification unit. 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.

From the results of interviews with workers and representatives of the surrounding community, they already know about communication procedures and with people who serve as communicators between the company and workers/community so

that those who cannot read/write can inform the relevant communicators.

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

#### 4.2.3

Based on the results of a review of the monitoring of complaints in 2023 period, no complaints were found from external stakeholders. However, there have been complaints from workers concerned about the improvement of facilities in employee housing, here's an example:

- An employee's complaint with the initials MS submitted on June 20<sup>th</sup>, 2023, related to leaking roof repair. Unit of certification has followed up on the complaint by making improvements on June 26<sup>th</sup>, 2023.
- An employee's complaint with the initials RP submitted on May 17<sup>th</sup>, 2023, related to broken septic tank. Unit of certification has followed up on the complaint by making improvements on May 20<sup>th</sup>, 2023.

Based on interview with workers, it also showed that company has responded if there is any complaint directly after complaints submitted. Besides, based on the interviews with government agencies, surrounding communities, gender committee, and labor union, it's known that there were no further complaints towards Unit of Certification in 2022 and 2023.

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

#### 4.2.4

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to procedures for requesting and providing information, communication and complaint assistance from the previous audit. Unit of Certification has a complaint handling mechanism and system described in procedure of Requesting and Providing Information, Communication and Submission of Complaints No. SSOP 1 Revision 4 on 25 October 2021. This procedure includes, among other things, describing the mechanism for requesting information including handling complaints. In addition, it was also explained that the response period was 14 days. The officer responsible for responding to stakeholders is the Manager / Assistant / Head of Administrations / Public Relations. Furthermore, 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. Other than that, the mechanisms of complaints and grievances of workers described in Chapter VII of CLA Article 34. In the event of employee complaints of employment, worker may submit the matter to the Labor Union to discuss with the company; if it cannot be resolved, settlement efforts are channeled through industrial relation dispute settlement by involving Manpower Agency. This provision also include the option of access to independent legal and technical advice.

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

	<b>Status: Comply</b>	
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### 4.3

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

#### 4.3.1

PT Adei Plantation & Industry – Mandau POM has collaborated with plasma plantations. The company is currently in the process of establishing a partnership to facilitate the development of plasma plantations in several villages around the company, for example with the Kelompok Tani Jaya in Muara Basung Village (No. 001/AD-KM/PKSMPKM/IV-2022) and Gabungan Kelompok Tani Tunas Harapan (No.003/AD-KM/PKSMPKM/VOOO-2022) in Tengganau Village. Especially for Tengganau Village, it is currently still in the process of being approved by the Pinggir District Head and the Head of the Bengkalis Regency Plantation Service. This is also in accordance with the results of interviews with the Plantation Office of Bengkalis Regency.

PT Adei Plantation & Industry – Mandau POM has programs for development around the plantation, among others, through various activities in the fields of education, health, road construction, agriculture, productive business, sports, arts and culture and religion. The program was made in the form of CSR in 2022 – 2023 which is based surrounding community's request.

Based on interviews and review of these documents, the company has carried out development around the plantation, among others, through various activities including education, health, road construction, agriculture, productive business, sports, arts and culture and religion.

The company already has a development / welfare program for the surrounding community which is contained in the CSR Program of PT Adei Plantation & Industry - Mandau Complex. The CSR programs in 2022 are as follows:

- Agricultural assistance programs for farmer groups such as providing seeds for agriculture
- Road and ditch maintenance
- Renovation of places of worship
- Scholarship
- Preservation of Sakai culture (planting trees)
- Providing assistance for religious holidays
- And others.

The recording is in accordance with the results of public consultations with surrounding villages, where the company has carried out activities that are beneficial to the surrounding community.

Based on interviews with Muara Basung Village and Tengganau Village and review of these documents, the company has carried out development around the plantation, among others, through various activities including education, health, road construction, agriculture, productive business, sports, arts and culture and religion.

**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 shown legality documents, including:

##### Location permission

- Decree of the Governor of Riau's Level I Region No. KPTS.30/I.L-VIII/1989 dated 30 August 1989, regarding Location Permit and Exemption of Rights/Purchase of Land with an Area of Approximately 15,800 (Fifteen Thousand Eight Hundred) Hectare in Mandau District, Bengkalis Regency, for Rubber Plantation on behalf of PT Adei Crumb Rubber Factory. Referring to the Deed of Notary Yanty Sulaiman Sihotang No. 187 dated 30 July 1993, it is known that there was a change from PT ADEI Crumb Rubber & Factory to PT Adei Plantation & Industry. The company has also shown a Location Permit Map with a scale of 1:100,000.
- Regarding the change in HGU area, the company indicated an adjustment to the location permit issued through the OSS system for PT Adei Plantation & Industry for an oil palm plantation of 11,571 Ha which was issued on January 27, 2022.

##### HGU

BPN Decree No. 143/HGU/BPN/2004 dated 3 November 2004. The HGU certificate was issued on 16 July 2021 and ended on 31 December 2045 with a total land area of 11,568.978 Ha, including:

- HGU Certificate No. 23 located in Tengganau Village to Titian Antui for an area of 38.48 Ha.
- HGU Certificate No. 24 located in Tengganau Village to Titian Antui for an area of 26.05 Ha.
- HGU Certificate No. 25 located in Tengganau Village to Titian Antui for an area of 1,123.1 Ha.
- HGU Certificate No. 26 located in Tengganau Village to Titian Antui for an area of 209 Ha.
- HGU Certificate No. 27 located in Tengganau Village to Titian Antui for an area of 2,144.1 Ha.
- HGU Certificate No. 28 located in Tengganau Village to Titian Antui for an area of 167.2 Ha.
- HGU Certificate No. 29 located in Tengganau Village to Titian Antui for an area of 246.3 Ha.
- HGU Certificate No. 30 located in Tengganau Village to Titian Antui for an area of 289.1 Ha.
- HGU Certificate No. 31 located in Tengganau Village to Titian Antui for an area of 685.2 Ha.
- HGU Certificate No. 32 located in Tengganau Village to Titian Antui for an area of 174.8 Ha.
- HGU Certificate No. 33 located in Tengganau Village to Titian Antui for an area of 657.7 Ha. There is a change in the area

of certificate No. 33 based on the waiver letter dated 7 February 2022 covering an area of 1.4 Ha so that the area on certificate No. 33 to 656.3 Ha. Stipulated on February 15, 2022. The revision is related to the pipeline (gas) area.

- HGU Certificate No. 34 located in Tengganau Village to Titian Antui for an area of 130.6 Ha.
- HGU Certificate No. 35 located in Tengganau Village to Titian Antui for an area of 827.5 Ha.
- HGU Certificate No. 36 located in Tengganau Village to Titian Antui for an area of 274 Ha.
- HGU Certificate No. 37 located in Tengganau Village to Titian Antui for an area of 164.7 Ha.
- HGU Certificate No. 38 located in Tengganau Village to Titian Antui for an area of 1,658.8 Ha.
- HGU Certificate No. 39 located in Tengganau Village to Titian Antui for an area of 453.4 Ha.
- HGU Certificate No. 40 located in Tengganau Village to Titian Antui for an area of 32.76 Ha
- HGU Certificate No. 41 located in Tengganau Village to Titian Antui for an area of 2,265 Ha.
- HGU Certificate No. 42 located in Tengganau Village to Titian Antui for an area of 2,588 Ha.

#### **Plantation Business Permit/IUP**

- The Plantation Business Permit (IUP) is issued by the District Plantation Office. Bengkalis Number: 744/UT.512/VI/2004, dated 18 June 2004 regarding Plantation Business License (IUP) for PT ADEI P&I Mandau Plantation, Pinggir District. The letter stated that "On behalf of the Regent of Bengkalis through the Head of the Plantation Service of the Bengkalis Regency, he agreed to grant the IUP of PT ADEI P&I for the Mandau plantations, with an area of 14,900 Ha in Pinggir District, Bengkalis Regency.
- Regarding the change in land area, the company showed a letter of approval for the change in land area through a reduction in the area of the plantation business permit of PT Adei Plantation & Industry No. 525/Disbun-Prod/XII/2021/255 dated 13 December 2021 from the original 14,900 Ha to 11,571.17890 Ha. The Plantation Business Permit issued by the OSS system has been shown on May 24, 2021 (21st amendment).
- For processing units, the company has a Plantation Industry Business Permit based on letter no. 746/U.T.513/VI/2004 dated 18 June 2004 by the Bengkalis Regency Plantation Service on behalf of the Regent of Bengkalis for PT ADEI Plantation & Industry Kebun Mandau Palm Oil Mill, Pinggir District with a mill capacity of 80 tonnes/hour.

#### **4.4.2**

The company has freed its management area from other rights and interests as shown in the stages of acquiring land rights to Mandau POM. All records are kept by the company in the form of hard and soft copies with appropriate language. Here are some recordings:

- The company shows the Decree of the Governor of the Head of Riau Province No. KPTS.30/I.L-VIII/1989 dated August 30, 1989, regarding the Location Permit and the Liberation of Rights/Purchase of Land covering an area of approximately 15,800 (Fifteen Thousand Eight Hundred) hectares in Mandau District, Kabupaten Bengkalis, for a rubber plantation under the name of PT Adei Crumb Rubber Factory. Referring to the Deed of Notary Yanty Sulaiman Sihotang No. 187 dated July 30, 1993, it is known that there was a change from PT ADEI Crumb Rubber & Factory to PT Adei Plantation & Industry. The company has also shown a Location Permit Map with a scale of 1:100,000.
- Has a release permit based on the Decree of the Minister of Forestry No. 027/Kpts-II/90 concerning the Release of Forest Areas in Riau Province, namely as a forest group of S. SamSam – Penaso River in the district level II Bengkalis covering an area of 15,526 ha.
- Statement letter signed on stamp duty by each group leader regarding the settlement of land compensation payments dated January 7, 2004 for the arable land of 8 community groups covering an area of 2,300 ha.

Based on the results of interviews with the surrounding community (Muara Basung Village and Tengganau Village), it is known that the company has carried out land acquisition for the area it manages.

#### **4.4.3**

The company can show a map of HGU with a scale of 1:100,000 which describes the land rights owned by the company as the basis for the company's operational area. In addition, based on the results of overlaying the HGU area of PT Adei Plantation & Industry with PIPPIB XV with a scale of 1: 150,000, it is known that the HGU area of PT Adei Plantation & Industry is not under the moratorium on forest and peat areas.

Based on the information from the previous assessment, it is known that there is an area of customary land in PT Adei Plantation



& Industry's HGU, namely the area of the Malay Sakai people. This area is an area that has been designated as a conservation area through a Statement Letter from the Regional Director of PT ADEI P&I Kebun Mandau (Mr. Tan Kei Yong) No: TKY/2013/047, dated 4 December 2013 concerning Determination of Land Status for Mandau Plantation. The letter stated that the conservation area of the indigenous people (Sakai Melayu tribe) within the PT ADEI P&I HGU area is  $\pm$  2,540 Ha.

However, at the time of the extension of the HGU in 2021, the community area had been removed from the HGU, which was explained in the committee B minutes document. In the committee B minutes it was explained that: on the area being applied for based on the map of the land parcel No. 23/2019 dated July 23 2019 the measurement results obtained with a total area of 14,359.1315 Ha. And from this area an enclave of 2,785,1146 Ha was carried out consisting of:

- Community control enclave covering an area of 2,218.4854 Ha.
- Toll road enclave with an area of 21.7180 Ha.
- PT CPI's powerline enclave with an area of 29.4685 Ha.
- PT CPI's oil well and road enclave along with the border covering an area of 326,9604 Ha.
- PT PGN's gas pipeline enclave covering an area of 37,6076 Ha.
- Village access road enclave covering an area of 6.0794 Ha.

The results of interviews with the Bengkalis Regency Land Office found that areas controlled by local communities (including the Sakai people) had been excluded from the extended HGU.

#### **4.4.4**

The company has freed its management area from other rights and interests as shown in the stages of acquiring land rights to Mandau POM. All records are kept by the company in the form of hard and soft copies with appropriate language. Here are some recordings:

- The company shows the Decree of the Governor of the Head of Riau Province No. KPTS.30/I.L-VIII/1989 dated August 30, 1989, regarding the Location Permit and the Liberation of Rights/Purchase of Land covering an area of approximately 15,800 (Fifteen Thousand Eight Hundred) hectares in Mandau District, Kabupaten Bengkalis, for a rubber plantation under the name of PT Adei Crumb Rubber Factory. Referring to the Deed of Notary Yanty Sulaiman Sihotang No. 187 dated July 30, 1993, it is known that there was a change from PT ADEI Crumb Rubber & Factory to PT Adei Plantation & Industry. The company has also shown a Location Permit Map with a scale of 1:100,000.
- Has a release permit based on the Decree of the Minister of Forestry No. 027/Kpts-II/90 concerning the Release of Forest Areas in Riau Province, namely as a forest group of S. SamSam – Penaso River in the district level II Bengkalis covering an area of 15,526 ha.
- Statement letter signed on stamp duty by each group leader regarding the settlement of land compensation payments dated January 7, 2004 for the arable land of 8 community groups covering an area of 2,300 ha.

Based on the results of interviews with the surrounding community (Muara Basung Village and Tenganau Village), it is known that the company has carried out land acquisition for the area it manages.

#### **4.4.5**

Based on the Minutes of the Land Inspection Committee B No. 9/2020 dated 23 December 2020 it was explained that "as the statement letter dated 16 December 2020 stated that 3 village heads in Pinggir District namely Semunai Village, Muara Basung Village, Tenganau Village and 2 village heads in Talang Mandau District namely Penaso Village and Koto Pait Village approved and supported the extension of the HGU of PT Adei Plantation & Industry and agreed to accept the decision on the minutes of the claim of 5 Villages on the HGU of PT Adei Plantation & Industry on December 3, 2020 and there were no claims and claims against the HGU of PT Adei Plantation & Industry.

#### **4.4.6**

The entire land compensation process was completed by PT Adei in 2004, evidence of compensation and agreement documents are stored at the Pekanbaru head office, these documents have been verified.

Based on a document review on the area statement, it is known that there has been no development and expansion of new areas by PT ADEI, this is in accordance with the results of consultations and interviews with the villagers around the company

(Muara Basung Village and Tenggana Village).	
<b>Status: Comply</b>	
<p><b>4.5</b>  <b>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.</b></p>	
<p><b>4.5.1 – 4.5.8</b>            Based on area statement document, interview with stakeholder known that there is no new planting in the area of PT Adei Plantation &amp; Industry.</p>	
<b>Status: Comply</b>	
<p><b>4.6</b>  <b>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.</b></p>	
<p><b>4.6.1</b>            The company has a procedure regarding identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation on SOP 6 "<i>Prosedur Penyelesaian Sengketa Lahan</i>" (10 August 2017), which is the process for resolution available in flow chart. FPIC process is described in the procedure. The procedure compiled by management reference by local regulation.</p> <p>Based on interviews with Representatives Muara Basung Village and Tenggana Village, information was obtained that there is no company plantation land originating from customary land rights.</p>	
<p><b>4.6.2 &amp; 4.6.3</b>            Based on the management's explanation and a review of the land compensation procedure, the company always refers to the local government regulations and will update it in accordance with the existing office regulations in Indonesia.</p>	
<p><b>4.6.4</b>            The land compensation process in the PT Adei Plantation – Mandau POM area has been carried out in the early days of plantation clearing. Documents related to land compensation are kept at the Pekanbaru Head Office and partially archived at the Plantation Unit Office. According to the available recorded evidence, it is known that the land compensation process in the Mandau Utara Estate area was last carried out in 2007 and the last Mandau Selatan Estate were carried out in 2003 - 2004.</p> <p>Based on the information in the previous assessment, known that there is an area of customary land in the HGU of PT Adei Plantation &amp; Industry, namely the area of the Sakai Malay community. This area is an area that has been designated as a conservation area through a Statement Letter from the Regional Director of PT ADEI P&amp;I Kebun Mandau No: TKY/2013/047, dated December 4, 2013 regarding the Determination of Land Status for the Mandau Plantation.</p> <p>However, at the time of renewal the HGU in 2021, the community area has been removed from the HGU, which is explained in the minutes of committee B. In the minutes of committee B it is explained: Whereas the area being applied for based on the map of land No. 23/2019 on July 23, 2019, an enclave was carried out consisting of:</p> <ul style="list-style-type: none"> <li>• Community area</li> <li>• Toll roads</li> <li>• Village access road</li> <li>• Etc.</li> </ul> <p>That recorded evidence of land compensation is accompanied by a negotiation process, land documentation, proof of payment and also a map of the location of the area signed by both parties.</p>	
<b>Status: Comply</b>	

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

**4.7.1**

The procedure for compensation for the purchase of land is also contained in the SOP 6 "Land Dispute Settlement Procedure" (10 August 2017). The procedure also explains the identification, calculation and compensation for the loss of legal rights and traditional rights for each landowner who is entitled to be compensated.

The land compensation process in the PT Adei Plantation – Mandau POM area was carried out in the early days of opening the plantation. Documents related to land compensation are kept at the Pekanbaru Head Office and some are archived at the Plantation Unit Office. In accordance with the available recorded evidence, it is known that the land compensation process in the Mandau Utara Estate area was last carried out in 2007 and the last Mandau Selatan Estate was carried out in 2003 - 2004.

**4.7.2**

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

**4.7.3**

This can be proven from the results of an interview with the previous landowner from Muara Basung Village and Tengganau Village, he explained that there was no coercion in the process of selling the land, the compensation process has also implemented an FPIC system, there is no coercion and it is agreed by both parties without harming anyone.

**Status: Comply**

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

**4.8.1 – 4.8.4**

Based on the results of the area statement document verification, interviews with representatives of Muara Basung Village and Tengganau Village and representatives of the Bengkalis Regency Land Office, it was found that there were no land disputes in the operational area of PT Adei Plantation & Industry.

In addition, based on the Minutes of the Land Inspection Committee B No. 9/2020 dated 23 December 2020 it was explained that "as the statement letter dated 16 December 2020 stated that 3 village heads in Pinggir District namely Semunai Village, Muara Basung Village, Tengganau Village and 2 village heads in Talang Muandau District namely Penaso Village and Koto Pait Village approved and supported the extension of PT Adei Plantation & Industry's HGU and agreed to accept the decision of the minutes of the 5 Villages' claim on PT Adei Plantation & Industry's HGU on December 3, 2020 and there were no demands and claims against PT Adei Plantation & Industry's HGU.

**Status: Comply**

**PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION**

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

**5.1.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5; 5.1.6**

Related to scheme smallholder FFB purchase, based on document review and interview with management, Mandau POM didn't accept FFB from smallholders or out growers during last year.

**5.1.7**

The company shows the Test Result Certificate for two weighbridges on POM, here's the detail:



- Result of Calibration Test No. 800/UPT-MET/SKHP/2023/VI/79, dated 13 June 2023 for the weight bridge calibration carried out by the Legal Metrology Technical Implementation Unit of the Department of Trade and Industry of Bengkalis Regency with the type of Electronic Bridge Scale Capacity of 50,000 Kg Scale 10 Kg with the brand UWE WE 2001 NYG 10494. The results of the test is "Authenticated based on the Law of the Republic of Indonesia Number 2 of 1981 concerning Legal Metrology by Affixing the Valid Calibration Sign", and valid thru 6 June 2024.
- Result of Calibration Test No. 800/UPT-MET/SKHP/2023/VI/80, dated 13 June 2022 for the weight bridge calibration carried out by the Legal Metrology Technical Implementation Unit of the Department of Trade and Industry of Bengkalis Regency with the type of Electronic Bridge Scale Capacity of 50,000 Kg Scale 10 Kg with the brand DINI ARGEO; DFWL; 0111773620. The results of the test is "Authenticated based on the Law of the Republic of Indonesia Number 2 of 1981 concerning Legal Metrology by Affixing the Valid Calibration Sign", and valid thru 6 June 2024.

**5.1.8**

Currently there are no independent smallholders in the vicinity of the company. The company has supported farmers by establishing plasma plantations. PT Adei Plantation & Industry – Mandau POM has collaborated with plasma plantations with the surrounding community in accordance with the Minister of Agriculture Regulation No. 98 of 2013.

The company is currently in the process of establishing a partnership to facilitate the development of plasma plantations in several villages around the company, for example with the Kelompok Tani Jaya in Muara Basung Village (No. 001/AD-KM/PKSMPKM/IV-2022) and Gabungan Kelompok Tani Tunas Harapan (No.003/AD-KM/PKSMPKM/VOOO-2022) in Tengganau Village. Especially for Tengganau Village, it is currently still in the process of being approved by the Pinggir District Head and the Head of the Bengkalis Regency Plantation Service. This is also in accordance with the results of interviews with the Plantation Office of Bengkalis Regency.

The company is in the process of establishing partnerships to facilitate the development of plasma plantations in several villages around the company, for example with the Jaya Farmers Group in Muara Basung Village (No. 001/AD-KM/PKSMPKM/IV-2022) and the Tunas Harapan Farmer Group Association (No. 003/AD-KM/PKSMPKM/VOOO -2022) in Tengganau Village. For Tengganau Village, it is still in the process of being approved by the Regent and the Head of the Plantation Office of Bengkalis Regency. This is also in accordance with the results of interviews with the Bengkalis District Plantation Office.

Regarding the plasma development, it has also been reported in the Plantation Business development report to the relevant offices in Semester I of 2022.

**5.1.9**

The company has SOP 1 Procedure on Requesting and Providing Information, Communication and Submitting Complaints no. revision 2 dated 10 August 2017. In this procedure, it is explained that complaints can be submitted through management (complaint logbook), worker foremen, suggestion box, gender committee, trade unions, hotline & email.

Not applicable, since the Mandau POM didn't accept FFB from smallholders or out growers.

<b>Status: Comply</b>	
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**5.2**

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

**5.2.1**

The company has supported the surrounding community by establishing plasma plantations. PT Adei Plantation & Industry – PKS Mandau has established partnerships with plasma plantations with local communities in accordance with Minister of Agriculture Regulation No. 98 of 2013. The company can show the Deed of Release of Land Rights Number 1 dated March 3, 2020 which explains that the disposal of land rights assets in the framework of the plasma obligation of 20% (2,416.82 Ha) is for the extension of PT Adei Plantation & Industry's Cultivation Rights.

Companies can also show Decree of the Regent of Bengkalis Number 360/KPTS/IV/2021 regarding the determination of plasma farmers to participate in the obligation to facilitate the development of community Plantation around PT Adei Plantation & Industry

Kebun Mandau in Bengkalis Regency on April 23, 2021.

Currently the company has facilitated all plasma smallholders to issue land legality in the form of certificates of ownership rights (SHM). However, to participate in the plasma program (partnership) with the company, not all farmers want to participate and only from the Tunas Harapan Farmers Group Association, Jaya Farmers Group, and Makmur Swadaya Farmers Group.

Currently the company is in the process of establishing partnerships to facilitate the development of plasma plantations in several villages around the company, for example with the Jaya Farmers Group in Muara Basung Village (No. 001/AD-KM/PKSMPKM/IV-2022) and the Tunas Harapan Farmer Group Association (No. 003/AD-KM/PKSMPKM/V000-2022) in Tenggana Village.

This is also in accordance with the results of interviews with the Bengkalis District Plantation Office. Regarding the plasma development, it has also been reported in the Plantation Business development report to the relevant offices in Semester 2 of 2022 on January 21, 2023.

### 5.2.2

The company has provided outreach/training on the community Plantation development process, including:

- Socialization of the Facilitation Program for Development of Community Plantation Around PT Adei P&I Mandau Plantation on August 31, 2021 with resource persons from the Bengkalis Regency Plantation Service and attended by 26 participants including the people of Balai Raja Village, UPT PPP Pinggir, etc.
- Socialization of the Facilitation Program for Development of Community Plantation Around PT Adei P&I Mandau Plantation on 31 August 2021 with resource persons from the Bengkalis Regency Plantation Office and attended by 25 participants including the people of Titian Antui Village, UPT PPP Pinggir, etc.
- Socialization of the Community Plantation Facilitation Development Program Around PT Adei P&I Mandau Plantation on August 18, 2021 with resource persons from the Bengkalis Regency Plantation Service and attended by 25 participants including representatives of the people of Pinggir District, Tualang Mandau District, Semunai Village, Tenggana Village, 2 local village heads, the Plantation Service, Gapoktan Tunas Harapan, etc.

### 5.2.3; 5.2.4; 5.2.5

Based on production data for 2022-2023 and the results of interviews with company management, there has not been any receiving FFB from outside parties, the supply of FFB from the plantation itself.

**Status: Comply**

## PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS

### 6.1

#### Any form of discrimination is prohibited.

#### 6.1.1

The unit of certification already has a non-discrimination and equal opportunity policy as indicated in the KLK Sustainability Policy on 30 August 2018. This policy explains that the certification unit provides equal treatment regardless of ethnicity, religion, racial, nationality, gender, sexual orientation, membership union, political affiliation, or age. This policy has been socialized in Estate and Mill unit to workers. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the estate and mill unit, they already understood the KLK Sustainability Policy that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

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

- Composition of workers consisting of various ethnic groups, religions, genders, and workers' origins.
- Recruitment of workers based on the results of selection, performance appraisal, ability and expertise of workers.
- Placement and training of workers is carried out according to their expertise/type of work, such as prospective harvest

workers are placed as harvest workers and receive routine harvest training.

- Women workers are given reproductive leave rights, wages and the same opportunities for promotion as male workers in the same type of work.

The results of interviews with workers, labor union representatives and gender committee representative also obtained information that there was no indication of discrimination against religion, ethnicity, gender, and regional origin in the process of accepting a job. So, it can be concluded that the unit of certification has treated all workers fairly without discrimination.

#### **6.1.2**

Based on the results of verification of worker recruitment documents, it is known that worker recruitment is based on expertise, ability and records of medical examination results. The unit of certification has a non-discrimination and equal opportunity policy as indicated in the KLK Sustainability Policy. The unit of certification also shows a labor list document for the June 2023 period which contains demographic information for all workers at PT Adei Plantation & Industry, namely workers who come from various regions, religions, ages, etc. The unit of certification also shows evidence of the recruitment of workers listed in the job vacancy information for PT Adei Plantation & Industry for the period February 2023. The document shows that there is no indication of discrimination in the stages of worker selection. Then from the results of interviews with 5 spray workers at the KMS unit, it was stated that they were workers who came from various areas outside the island of Sumatera, such as Java and Kalimantan. They also stated that there is no fee to be charged and no retention of personal identification documents during the recruitment process.

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

#### **6.1.3**

The unit of certification does not discriminate against selection, recruitment, training and promotion. This is based on the skills, abilities, quality and medical eligibility of the workers. In terms of worker promotion, the certification unit conducts a performance appraisal/evaluation before promoting workers to the newest status/position/class. For example, promotion for workers with the initials MRD listed in the decree number AD-Pers/SKPTS/033/2022 dated 17 November 2022. The document describes the results of the promotion for workers with the initials MRD who were promoted from office administration to field staff/supervisors at the Mandau plantation unit 2 (KMU). The unit of certification also shows the results of an employee performance appraisal with the initials MRD with several assessment criteria which are the basis for considering employee promotions, for example teamwork, job knowledge, diligence, initiative, integrity, loyalty, intelligent, disciplined, practical, administrative ability.

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

#### **6.1.4**

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. For example, pregnant workers will be transferred to lighter jobs such as cleaning workers in offices. This was clarified by the results of interviews with female spray and manuring workers as well as representatives of the gender committee at PT Adei Plantation & Industry, which stated that female workers are required to carry out monthly pregnancy tests at the clinic to ensure that no pregnant/breastfeeding female workers are exposed to chemical material. Pregnancy testing is not a discriminatory measure provided by the unit of certification.

Then from the results of a review of the latest employee recruitment documents and interviews with female workers, it was found

that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers. They explained that at the time of recruitment, there was no pregnancy test, but only physical health tests, administration and interviews with prospective leaders.

**6.1.5**

The unit of certification has established a gender committee in each unit which has functions including gender equality, protection of women's rights, protection from incidents of harassment, and others. Furthermore, the certification unit shows documents establishing the Organizational Structure of the Gender Committee in each estate and mill unit for the 2023 period consisting of representatives of each gender, namely men and women. The organizational structure consists of a chairman, chair of the gender committee, secretary, treasurer, skills sector, education sector, health sector, environment sector, religious sector, empowerment of women worker and children as well as members of each mill and estate units.

Gender committee work program in 2023 for all estate and mill unit at PT Adei Plantation & Industry, including regular meetings of the gender committee management, integrated healthcare center, periodic pregnancy check, periodic children check in daycare, socialization of maternal and child health, socialization of gender committee, and socialization and recording of sexual harassment/violence.

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

- Implementation of integrated healthcare center programs in all units (MPOM, KMU and KMS units) which are held every month.
- Training and socialization related to good nutritional content to fulfill the nutrition of pregnant women which will be held in February 2023.
- Outreach regarding dental and oral hygiene for children which will be held in April 2023.
- Socialization of gender committee which was held on May 15<sup>th</sup> – 19<sup>th</sup>, 2023.

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

**6.1.6**

Payment of fair wages has been properly carried out by the unit of certification, taking into account ability, performance, expertise, year of service, and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This is stated in Memo effective from January 1<sup>st</sup>, 2023, concerning Wages for Permanent Employees/PKWTT Year of 2023. This document explains the structure and scale of wages for workers with *PTB* status listed based on length of service. The document also explains the wage scale structure that applies to workers with *PTB* status starting from the lowest class, namely 0-1 year of service (IDR 3,628,550) and the highest class, namely 31-32 years of service (IDR 4,328,550).

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

From the description above, it can be concluded that the company already has proof of payment of equal wages for the same scope of work.

	<b>Status: Comply</b>	
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<b>6.2</b>	<b>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).</b>
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**6.2.1**

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

- Sustainability Standard Operating Procedures (SSOP) Number 29 regarding employee management. The document describes the mechanisms for payment/deduction of wages, etc.
- CLA for the 2021 – 2023 period which explains all labor regulations, for example regarding wages and dependents, wage increases, working days and overtime, severance pay and other awards, and other regulations.
- Decree of the Governor of Riau Number Kpts.1783/XIII/2022 concerning District/City Minimum Wage in Riau Province Year of 2023. It is known that the Minimum Wage applicable in Bengkalis Regency Year of 2023 is IDR 3,599,029.72.
- Memo effective from January 1<sup>st</sup>, 2023, concerning Wages for Permanent Employees/*PKWTT* Year of 2023. The document explains the wage scale structure that applies to workers with *PTB* status starting from the lowest class, namely 0-1 year of service (IDR 3,628,550) and the highest class, namely 31-32 years of service (IDR 4,328,550).

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

- Pay slip for spray workers with the initials MRLN who receive a basic wage in May 2023 of IDR 3,620,030
- Pay slip for harvest workers with the initials DHS who received a basic wage in May 2023 of IDR 3,614,030
- Pay slip for the machine room operator with the initials RJ who received a basic salary in May 2023 of IDR 3,627,030.

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

**6.2.2**

The unit of certification can show examples of work agreement documents, for example, work agreement for an unspecified time (*PKWTT*) number AD-KMS/19/PKWTT/XI/2022 dated November 30<sup>th</sup>, 2022. Workers are accepted to work as permanent workers on condition that they undergo a probationary period of 3 months. Then the certification unit shows the *PKWTT* work agreement letter number AD-KMS/19/PKWTT/XI/2022 dated November 30<sup>th</sup>, 2022, and letter number AD-KMS/03/II/2023 dated February 24<sup>th</sup>, 2023, which explains that the worker with the initials MS has graduated within the probationary and determined as permanent workers on March 1<sup>st</sup>, 2023. As for the decree document shown, it contains information including the name acting as management representative and company address, employee information in the form of name and other personal information, employee position, employee work location, reporting, work duties and responsibilities, salary and other benefits. The decree document has been signed by representatives of management and workers.

As a form of implementing the decree document, the unit of certification shows the June 2023 payroll documents. For example, a pick-up loose fruit worker with the initials DS receives a basic wage for June 2023 that is in accordance with the applicable minimum wage, namely IDR 3,645,030.

Work agreements along with related documents detailing wages and working conditions (working hours, deductions, overtime, sick leave, leave, maternity leave, etc.) have been set forth in the CLA document for the period 2021 – 2023. For example, in article 32 explained related to sanctions for disciplinary violations and prohibitions such as giving warning letters to workers three times within 6 months. if there is no response from the worker, the company can terminate the employment relationship in accordance with the applicable laws and regulations.

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

**6.2.3**

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



- Defined and agreed working hours are 7 hours a day and 40 hours a week. If there are excess working hours, overtime is paid. For example, boiler operator pay slip document with the initials SRN who receive a basic salary of IDR 3,645,030 and overtime pay of IDR 2,897,125 on May 2023 for a total of 74 hours of overtime and the value of one hour overtime pay is IDR 21,069. Workers have signed an overtime order agreed by both parties (worker and certification unit representative) before carrying out overtime work.
- Every worker also has the right to annual leave of 12 days in one year. Here's an example, an employee with the initial HSR who applied for two days annual leave starting from June 28<sup>th</sup> – 30<sup>th</sup>, 2023. This request has been approved by the Estate Manager.
- Specifically for female workers, the unit of certification grants the right to 2 days of menstrual leave and 1.5 month of maternity leave before and after giving birth. For example:
  - Menstrual leave for workers with the initials AMH listed in the cover letter for treatment at the PT Adei Plantation & Industry Kebun Mandau clinic for 2 days from July 14<sup>th</sup> – 15<sup>th</sup>, 2023.
  - Maternity leave to workers with the initials SG listed in the examination certificate from the PT Adei Plantation & Industry pratama clinic starting July 1<sup>st</sup> - September 29<sup>th</sup>, 2022.
- Termination of employment as stated in the joint agreement document number 205/PHK-KMS/VIII/2023. The document explains the termination of employment for workers with the initials FBH for violating CLA article 32 and PP No. 35 of 2021 Article 51 regarding being absent for 5 working days or more consecutively without written explanation. The unit of certification has also issued warning letters 1, 2 and 3, namely on 14 April 2023, 17 April 2023 and 18 April 2023.
- The unit of certification has applicable deductions/fines if workers commit deviations/negligence in their work. For example, deductions from workday payments if workers are absent from work without reason. Apart from that, there are also fines for negligence at work, for example, in harvesting work such as harvesting fruit in the unripe category of FFB.

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

#### **6.2.4**

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

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

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

#### **6.2.5**

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

Then, from the results of interviews with workers in estate and mill unit as well as residents of houses in employee housing, it is



known that they do not experience difficulties in obtaining food sources because they can shop at employee cooperatives or food stalls in residential areas. In addition, the location of the estate and mill is also close to traditional markets and villages, so access to food and daily needs is very easy for workers to reach.

**6.2.6**

The calculation of a living wages is carried out once a year, the cut-off period starts from October to September. The calculation of a living wages shown by the company is a calculation for the period October 2021 – September 2022. The RSPO ASA-2.1 audit activity was carried out in July 2023, so there is no calculation of living wages for the period October 2022 – September 2023.

Currently the company uses wage calculations based on the 2022 Bengkalis District Minimum Wage in accordance with the Decree of the Governor of Riau Number Kpts.1272/XI/2021 concerning District/City Minimum Wage in Riau Province Year of 2022, which is IDR 3,350,646.31. This decree of minimum wage also included in living wages calculation established by the company. The living wages calculation is refers to the actual and rational price around the certification unit location. The prevailing wages are wages basic, allowances such as housing, electricity, water, education, child care, health, sports and recreation. In the calculation of wages & allowances that apply in the 2021 - 2022 period there is a difference with the minimum wage of IDR 1,037,189 or the total living wages set at IDR 4,387,835.

**6.2.7**

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

Status: Comply

**6.3**

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

**6.3.1**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to labor union from the previous audit. Unit of Certification has a written policy of the freedom of association in KLK Sustainability Policy on 30 August 2018. There is a point in it that states that the company gives freedom to all workers to associate in accordance with the applicable laws and regulations. The KLK policy can be seen on the company's website. CLA Article 4 "recognition of rights of company and labor union". Referring to Law (UU) No. 21/2000 about union/labor union, company respects to rules and regulations which applicable in the law, including matters of the freedom of association in organization of workers/labors who are basic rights of workers as stipulated in the law. There was 4 Labor Union at PT Adei Plantation & Industry and have been registered to Manpower Agency, including: *KSPSI (Konfederasi Serikat Pekerja Seluruh Indonesia)*, *SBRI (Serikat Buruh Riau Independen)*, *SPPP-SPSI (Serikat Pekerja Pertanian Dan Perkebunan Serikat Pekerja Seluruh Indonesia)*, and *SBSI (Serikat Buruh Sejahtera Indonesia)*. All workers given freedom to choose their union.

Implementation of the policy is the existence of Labor unions. The election of administrators was also carried out democratically without any intervention from the company. Result of interviews with workers showed that union has been running in accordance with its purpose of conveying the aspirations of workers to the company.

**6.3.2**

The unit of certification also has records of labor union meetings. The following is an example of meeting notes held by labor union in 2023, for example, minutes of meeting regarding of the establishment of the Mandau Estate SPSI Management for the period 2022 – 2027 which was held on August 11<sup>th</sup>, 2022.

Based on the results of interviews with representatives of each trade union in each company (*SPSI*, *SBSI*, *KSPSI* and *SBRI*), it is known that the unions hold internal meetings every month which are accommodated by management representatives. In

addition, trade unions in all companies routinely hold meetings at least once a year in a bipartite meeting with the company. Until now there are still several problems reported by workers and are being resolved through deliberation. This is also supported by the results of a review of worker complaint documents, it is known that the existing problems are related to complaints related to damage to employee housing facilities, but this is also continuously being repaired by the company for the welfare of workers.

**6.3.3**

Based on the interviews with the labor union representatives, there was no interference in the selection or labor union operational activities. All processes of selecting, decisions making and planning activities, members' aspirations to their representatives run democratically. The worker who is currently placed as Chairman of the Labor Union in each unit is a worker at mill and estate, then there will be no conflict of interest that occurs with the company because there were no workers who have the authority as decision-makers (staff class and above). Company also involved the labor union in drafted Collective Labor Agreement (CLA).

Establishment of labor union was in accordance with the applicable laws and regulations and has been recorded at the Manpower Agency. Unit of certification was giving freedom for workers to express their aspirations and did not give any intervention related to labor union activity. Based on the interview with workers, it's known that there was no mandatory to be the member of labor union. The membership of labor union is voluntary.

**Status: Comply**

**6.4**

**Children are not employed or exploited.**

**6.4.1**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to policy against the use of child labor from the previous audit. Unit of certification has policy on child and female workers as stated in employment and human rights policy which was approved by the Regional Head on 28 May 2020. The policy regulates the basic principles of human rights protection such as:

- Providing equal employment opportunities without discriminating against race, religion, degree, ethnicity, gender, skin colour, imperfection of body defects, protection of female workers and so on.
- Protecting female workers from sexual harassment, acts of violence and rights related to women's reproduction.
- Respect and respect the right of every worker to form or become a member of a trade union in accordance with Law No. 21 of 2000.
- Do not employ children under the age of 18.
- Respect human rights.

Document verification results reveal that there are no workers under the age of 18. The process of hiring employees this is evidenced by the Identity Cards at the time of employee recruitment. In addition to having a policy governing minimum age of workers for workers, Unit of Certification also includes a clause on child protection and a prohibition on employing workers under the age of 18 in any agreement with contractor. Based on document verification and interview with local contractor, it has been included into service contracts and supplier agreements.

**6.4.2**

The unit of certification shows the employee list documents period June 2023 for estate and mill units of PT Adei Plantation & Industry where there are no children under the age of 18 who are employed. In addition, the company has also shown document Sustainability Standard Operating Procedures (SSOP) Number 29 regarding employee management, CLA period 2021 – 2023 and KLK Sustainability Policy on 30 August 2018 which stated that the minimum age for workers is 18 years old. This is in line with job vacancy information documents which states the requirements for prospective workers who must be ≥ 18 years old.

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

**6.4.3**

Based on a review of the employee list document period June 2023 and the results of interviews with workers in plantation and

mill units as well as management representatives, information was obtained that there were no young workers working in the certification unit. Then, from the results of a study of the list of students who took part in internships or field work practices, it is known that there were 12 college students who carried out internships/field work practices in the company's operational areas during 2022 – 2023. In addition, it is also known that all of these students are over the age of 18 years.

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

**6.4.4**

Socialization regarding child protection policies and the prohibition of child labor has been carried out in each estate and mill unit. For example, mandau 1 estate (KMU) unit on January 10<sup>th</sup>, 2023 and at the mandau 4 estate (KMS) unit on January 16<sup>th</sup>, 2023. As proof of implementation, when the auditors conducted interviews and field visits to all workers in the estate and mill unit, they already understood the KLK Sustainability Policy that apply in the company. This socialization has also been carried out to external stakeholders, for example when making/renewing/signing work contracts.

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

**Status: Comply**

**6.5**

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

**6.5.1**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to policy against the sexual harassment from the previous audit. Commitment to prevent sexual and all other form of harassment and violence is regulated in KLK Sustainability Policy on 30 August 2018, concerning the prevention of sexual harassment and violence and other forms, as well as to protect reproductive rights, such as prohibition of female workers who are pregnant breastfeeding from working in fields related to chemicals and other heavy work. To support this, unit of certification has formed a gender committee in each unit as a place to submit complaints and complaints regarding violations of reproductive rights/women and sexual harassment.

There is gender committee established to resolve if sexual harassment occurs. The policy on sexual harassment and reproductive rights of women are imposed on contractors by being included in their contractual agreements. Unit of Certification was developed protocol flowchart for sexual harassment reporting. Each of units (mill and estates) has their own gender committee that supported with annual work programs. Based on the results of interviews with workers and gender committee officials, information was obtained that workers can submit complaints through their direct superiors or through the gender committee. In addition, during the past year there were no cases of sexual harassment. This is supported by the absence of complaints regarding sexual harassment in the minutes of gender committee meetings in all mill and estate units during 2022 – 2023.

**6.5.2**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to policy against the protection of reproductive rights in female worker from the previous audit. The document stated that “protecting female workers from sexual harassment, acts of violence and rights related to women's reproduction”. The policy on women's reproductive rights which refers to the provisions of the Labor Law number 13 of 2003, namely if there are female workers who are menstruating, feel sick and based on a doctor's examination, they are not obliged to work on the first and second days of menstruation. Then, if there are workers who give birth, these workers will get leave for 90 days before and after giving birth. Evidence of the implementation of this policy is listed in the 2023 menstruation leave and maternity leave recapitulation document. For example:

- Menstrual leave for workers with the initials AMH listed in the cover letter for treatment at the PT Adei Plantation & Industry Kebun Mandau clinic for 2 days from July 14<sup>th</sup> – 15<sup>th</sup>, 2023.
- Maternity leave to workers with the initials SG listed in the examination certificate from the PT Adei Plantation & Industry

pratama clinic starting July 1<sup>st</sup> - September 29<sup>th</sup>, 2022.

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

### 6.5.3

The unit of certification has identified and carried out activities related to assessing the needs of new mothers which are carried out based on a survey of each female worker and/or the wife of the worker. The document explains the list of needs and facilities for new mothers, for example:

- Postnatal visit services
- Counseling visits and baby care services after delivery
- Giving gifts after giving birth (baby equipment/toiletries)
- Nursing rooms in offices, day care centers and clinics
- Children under one year of age are acceptable in child storage
- Kindergartens can accept students at the age of two
- Complementary food assistance for children
- Etc.

Based on the results of interviews with the management of the gender committee in each unit, information was obtained that new mothers were given special rest periods so they could breastfeed their children, pre- and post-natal health check-up facilities at integrated healthcare center activities and were kept away from jobs that used chemicals during pregnancy or just giving birth.

### 6.5.4

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to complaint mechanism from the previous audit. The complaint handling mechanism and system is described in SOP 1 regarding the procedure for submitting complaints Revision 4 on 25 October 2021. Complaints can be submitted through recording in the logbook that has been provided, directly to the foreman, through the suggestion box, through the gender committee, worker unions, hotlines and email provided by the certification unit and via the RSPO website. This procedure has included mechanism to handle employment grievances, that respects anonymity and protects complainants where requested.

All non-confidential complaints are recorded in a logbook, reviewed by the manager once a week, responses are submitted within 14 days.

- The community head / foreman will record verbal complaints in the complaint logbook within 3 days.
- Complaints regarding work practices can be submitted through the union.
- Complaints including whistle-blowers and anonymous cases can be reported via suggestion box, suggestion box checked by GM / director.
- Complaints regarding gender and sexual harassment can be submitted through the gender committee.

Based on interviews with women workers in day care and gender committees, it is known that they understand the related policies. it was further explained that so far there have been no problems or complaints related to reproduction in the workplace and they all know the mechanism to file a complaint.

**Status: Comply**

## 6.6

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

### 6.6.1

The company shows the KLK Sustainability Policy on 30 August 2018. The document states that the company is committed to preventing the practice of forced labor or slavery and not using workers who are the result of human trafficking in all operational activities. This policy has been socialized to workers in each plantation and mill unit, for example, socialization at the mandau 1

estate (KMU) unit on January 10<sup>th</sup>, 2023. This policy also applies and is required to be obeyed by plasma farmers, contractors and other stakeholders who have partnership relationships or active in operations and transactions within the company.

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

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

**6.6.2**

Based on the results of a document review and interviews with management representatives, it is known that there have been no changes related to the use of contract/migrant labor and the prohibition of forced labor policies from the previous audit. Unit of Certification has employee recruitment procedures explained in Worker Management in Sustainability SOP No. 29 Revision 5 on 13 January 2021. In this procedure, it aims to guide the recruitment process for. Unit of certification still has no workers with contract status. There was no discrimination between workers. Unit of certification has also socialized about its policy and procedure related to prohibition of worker discrimination in unit of certification to workers.

Based on document verification sighted that there are no migrant workers on this certification unit, there are only permanent workers. In addition, based on interview with worker union board sighted that so far, there has never been a penalty for termination of employment, bonded labor practices, withholding wages, and forced overtime.

**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**

The certification unit already has an OHS organization in the form of an OHS committee as follows:

- Mandau Estate  
In accordance with the Decree of the Head of the Riau Province Social, Labor and Transmigration Service Number.KEP.209/Disnakertrans-PK/SK-P2K3/VI/2023 concerning ratification of the OHS organizational structure of the Mandau Estate Committee, established in Pekanbaru on June 29 2023. Secretary The OHS Committee is a worker with the initials BS. 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 January 29, 2021, valid for 3 years.
- Mandau Mill  
In accordance with the Decree of the Head of the Riau Province Social Service, Labor and Transmigration Number. 214/Disnakertrans-PK/SK-P2K3/VI/2023 concerning ratification of the OHS organizational structure of the Mandau POM Committee, established in Pekanbaru on 19 June 2023. The OHS Committee Secretary is a worker with the initials SE. 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 30 December 2021, valid for 3 years.

**Periodic meeting**

The CH has an OHS Committee in each unit which is responsible for the implementation of OHS aspects. One of the activities of the OHS Committee is to conduct monthly evaluations regarding the implementation of the OHS program. For example, at the MandauPOM OHS Committee meeting on 30 June 2023 which was attended by 13 members. Discussions included OHS training and outreach, discussion of work accidents at other POMs to be used as evaluations at Mandau POM, and housekeeping.



Regarding OFI in the previous audit regarding the discussion of work accident issues, the results of the document review revealed the following:

Minutes of the Mandau Mill OHS Committee Meeting for the period January to March 2023, it is known that the discussion of work accidents is specific to the occurrence of work accidents. The work accident occurred in February 2023. Discussions regarding this matter have been carried out at a specific monthly meeting related to the work accident. While in January there were no work accidents, so there was no discussion related to work accidents.

It is known from the minutes of the Mandau Estate OHS committee meeting that the discussion on work accidents was in accordance with the work accidents that occurred. Events related to the quick accident, discussed with the quick HIRAC evaluation. Work accidents related to harvesting are discussed in stages every month, starting from evaluating how high staple crops work, evaluating work tools, to evaluating HIRAC.

Based on this, the OFI in the previous audit has been corrected.

#### **6.7.2**

The certification unit has a Procedure for OHS and Emergency Preparedness (SSOP No. 24). In that procedure has explained the handling of accidents from reporting to coordination. Simulation was performed regularly to ensure the preparedness of emergency response equipment in the certification unit.

#### **First Aid Officer**

The CH has doctors who already have Hiperkes and Occupational Safety Training Certificates, with the initials Dr. J. The training was held April 13, 2016. Registration of 4 PT ADEI paramedics for training and paramedic hyperhealth certification has also been shown from 24 to 28 July 2023.

Based on field observations, such as during circle spraying and harvesting 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 names and functions of the first aid kits.

Based on field observations at Mandau POM and offices, it is also known that there is an evacuation route and assembly points in Mill and housing, that leads to the gathering point in case of an emergency. Fire extinguishers and hydrants are available ready to use. The results of the hydrant test at the Boiler Station function properly.

#### **Records of work accidents**

As stated in the OHS Committee report and monthly monitoring of work accidents carried out by the OHS committee secretary, it is known that from January to June 2023 there were work accidents at POM in February 2023. For the Mandau Utara Estate, there were 4 work accidents, 1 accident and 3 accidents due to insect twinkling eyes and falling on FFB. Documents accompanied by an investigation report on accidents/events and emergencies reported by the victim's direct superior and examined by the company doctor. Work accidents are reported to the relevant department.

#### **6.7.3**

The CH already has an SOP on PPE with code SSOP 24 revision 04 dated 25 October 2022. This procedure regulates, among other things, Identification of PPE, Procurement of PPE, distribution of PPE according to work risk (HIRAC), frequency of PPE replacement, replacement of damaged PPE, and disciplinary sanctions for those who do not wear PPE / violate procedures.

Based on the results of field observations and review of PPE stock documents, for example, at the Mandau Selatan Estate Warehouse, PPE stocks are available, including boots, safety helmets, chemical masks, and cloth gloves.

Based on the results of field observations and interviews with workers at Mill and Estate, it is known that workers have used PPE according to what is required in the HIRAC document. All PPE is adequate and appropriate, and available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. The PPE provided to workers free and will be replaced if the PPE is no longer suitable or no longer



provides adequate protection maximum.

The CH has maintained records of PPE distribution. For example, a historical document of distribution of PPE for sprayers with the initials SR from 2016 - 2023 is displayed, such as glasses, masks, gloves, aprons and boots. Regarding the use of PPE and other OHS aspects, it is always refreshed every morning at the employee morning assembly. In determining PPE, especially the application of specifications, SDS has been taken into consideration.

The results of field observations also found sanitation facilities provided by the company for workers who use pesticides so that workers can remove PPE, clean themselves and put on their personal clothes in functioning condition and in sufficient quantities.

#### 6.7.4

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

- *BPJS Ketenagakerjaan*
  - MPOM
    - The list of workers in the MPOM unit for the period of June 2023 is 104 workers.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for a total of 104 workers on June 24<sup>th</sup>, 2023.
  - KMU
    - The list of workers in the KMU unit for the period of June 2023 is 623 workers.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for a total of 623 workers on June 24<sup>th</sup>, 2023.
  - KMS
    - The list of workers in the KMS unit for the period of June 2023 is 685 workers.
    - Proof of payment for *BPJS Ketenagakerjaan* for the June 2023 period for a total of 685 workers on June 24<sup>th</sup>, 2023.
- *BPJS Kesehatan* MPOM, KMU and KMS
  - Total list of workers in the MPOM, KMU and KMS units for the period of June 2023 is 1412 workers.
  - Proof of payment for *BPJS Kesehatan* for the June 2023 period for a total 1412 workers on July 10<sup>th</sup>, 2023.

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

Then, from the results of the document review and interviews with management representatives, information was obtained that there was a work accident that caused the loss of working days. Then the unit of certification shows the case handling documents, for example as follows:

- Chronology of events in the Work Accident Minutes document dated 25 November 2022 which explains that on Friday, 24 November 2022 at 22.50 p.m, a work accident occurred which occurred by a kernel station operator with the initials AS while checking claybath No. 2 which is in a clogged condition. The worker climbed the ladder of claybath No. 1 was operating and without realizing it, the worker's left trouser got caught in the rotation of the machine, causing the flesh behind the knee to tear and the calf of the left leg.
- Work accident report issued on 25 November 2022 which explains the work accident incident/chronology of the incident, identity of the victim, accident investigation, repair and prevention (root cause and corrective action). This document has been signed by various parties such as eye witnesses, doctors/paramedic teams and OHS experts.
- This case has been reported to *BPJS Ketenagakerjaan* as listed in the Work Accident Case Report Stage 1 and Stage 2. The company has also assisted with work accident medical claims from *BPJS Ketenagakerjaan*. This work accident resulted in the loss of 34 days of work and the worker still received wages while he was absent from work.

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

**6.7.5**

Occupational accidents have been recorded using LTA. The LTA for the period January to December 2022 has been shown. For example, in the LTA Mandau POM, there were 10 work accidents causing 104 lost workdays, with an FR value of 42 and an SR of 437.2.

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 CH already has SOP 17 - Integrated Pest Management (IPM) and IPM program in 2021/2022. In the SOP it is explained that rat poison bait is carried out if the level of damage to new oil palm plants exceeds 5%. The stages of integrated pest control (IPM) that are carried out include pest detection, identification of types and populations of pests through censuses, cultural and biological control of pests, and chemical control (with chemicals) if the level of attack exceeds the threshold to maintain ecosystem balance. The company has monitored the implementation of the IPM plan, such as a census has been carried out according to the plan for termites three times and rats twice a year, etc.

The unit of certification is capable of demonstrating the realization of the integrated pest control plan in 2023. The results of field observations in all assessment areas during the audit were known that there were no traces of caterpillars and rats. For horn beetles, it is found in the replanting area Block 2023 A. Based on observations in that area, it is known that there are pheromone traps with several trapped horn beetles. Traps are monitored every day.

**7.1.2**

Invasive species in Indonesia refer to the Minister of Environment and Forestry Regulation number P.94 of 2016. The results of field observations in Block 16F KM 3, it is known that there is *Turnera ulmivolia* in a well-maintained condition.

**7.1.3**

There is no use of fire for pest management purposes. Estate management prefer to control pest population by biological method instead of chemicals. This matter verified through field observation which shows that there were no indication of fire activities in estate operational areas.

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 on circle spraying work using pesticides. The basis for using all specific pesticides against target pests/weeds has been shown by the company in the Pesticide List document. For example, the pesticide Prima up for broadleaf weeds.

The CH has a procedure SSOP 17, revision 4, effective 02 May 2023, regarding integrated pest management. This procedure discusses pests that are usually present in oil palm plantations, determining pest control based on a census, namely if it is below the threshold using biological control, and if it is above the threshold using chemical control until the results of the re-census are below the threshold, return to biological control. The CH also has a KLK Group Plantation Policy regarding Circle Path Treatment in mature upkeep, updated 14 July 2023. It has regulated the selection of herbicides depending on the condition of the weeds, thereby preventing resistance to certain ingredients. KLK is gradually stopping spraying harvesting paths to encourage the growth of soft vegetation.

Based on field observations at the Circle Spraying Activity in 14C2 Division 8 KM 2 Mandau Utara Estate and Block 15E KM4 Mandau Selatan Estate, it is known that this procedure has been implemented. It is also known that Owl development has been implemented with the provision of BOB, such as in Block 14D Division 7 KM 2 Mandau Utara and Block 15D KM4 Mandau Selatan Estate, showing that this procedure is working. Likewise with the development of *Turnera ulmivolia* and *Antigonon leptosus* on the sides of the road.

#### **7.2.2**

The CH has maintained records of pesticide use. It has been shown in the Mandau Estate Pesticide List document which contains the brand of the pesticide, the active ingredient, LD<sub>50</sub>, and the use of the active ingredient per hectare. For example, Prima up with an LD<sub>50</sub> of 500 mg/kg. in the period January – June 2023 0.018 gram/ha has been applied.

#### **7.2.3**

The CH has a commitment to minimize the use of pesticides and has the IPM concept. This is evidenced by the results of field observations where *Turnera ulmivolia* and *Antigonon leptosus* were found on roadsides with the aim of controlling bugworm. The results of field observations also revealed that there were OWL breeding in the field as a natural control for mice that had been properly monitored. The results of the document review revealed the trend of using the Chepate pesticide from 0.72 liters/ha to 0.29 liters/ha.

#### **7.2.4**

Based on interviews with company representatives, it is known that the use of pesticides in a preventive manner (prophylactic use) is not justified by the company. Control using chemicals is carried out if the pest attack has exceeded the threshold, based on the census.

#### **7.2.5**

The CH has a commitment/policy not to use pesticides that are included in WHO classes 1a and 1b, or included in the Stockholm convention, as well as paraquat contained in the KLK Sustainability Policy, dated 30 August 2018. The results of a review of pesticide use documents for the period 2022 – June 2023 note that the pesticides used include Glyphosate and Methyl Metsulfuron. The results of field observations in Circle Spraying Activity in 14C2 Division 8 KM 2 found that workers use Prima Up and Metafuron materials. The results of interviews with workers/company representatives found that in the last 1 year they had used Prima Up and Metafuron pesticides. Based on this, it is known that there is/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 (SDS). The results of interviews during field observations at the Circle Spraying Activity in 14C2 Division 8 KM 2 revealed that workers were able to explain the safe handling of pesticides according to procedures. Informed by informants that they have received training in handling pesticides from the company. The results of field observations also show that workers have implemented safe work techniques and wearing appropriate PPE. Based on document review revealed that pesticide training had been held at the company, on March 2, 2023.

#### **7.2.7**

The storage of pesticides at the company complies with best practices. The results of field observations in the Pesticides Warehouse area in Mandau Estate 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 with good air circulation and sufficient lighting. The warehouse is locked and there is a limited area warning and the use of PPE when accessing it. The results of interviews with workers revealed that workers could explain and demonstrate safe work techniques in that area.

#### **7.2.8**

Based on the results of a visit to the Temporary Hazardous Waste Landfill at POM Mandau, KMU and KMS, it is known that the company has stored the pesticide container in the Temporary Hazardous Waste Landfill and each officer at the Temporary Hazardous Waste Landfill can explain procedures for handling and managing the appropriate B3 Waste with SOPs properly. For example, the company has shown evidence of submitting B3 waste to PT Pratama Saoloan Green.

Based on observations at the Pesticide Warehouses in the KMS and KMU Residential Areas, it is known that the company has provided a special mixing place and a container for used contaminated/rinse water to be reused in the next mixing. In addition, pesticide containers have been handled responsibly by storing them in a B3 waste storage area.

**7.2.9**

Based on document review and interviews with company representatives found that the pest found in the company area was the horn beetle under controlled conditions. Control is carried out using pheromones by means of making pheromone traps. The results of field observations on LCC planting activities in the replanting area found no air spray applications. Based on this, it is known that there is no application of pesticides through the air.

**7.2.10**

The CH already has a Health inspection procedure for workers in SSOP 18 concerning the Safety of Use and Storage of Chemicals including Hydrocarbons revision 03 dated 02 June 2023. This procedure, among other things, regulates that Warehouse officers, sprayers, fertilizers, and chemical mixing officers must undergo a special Health inspection (blood and urine) once a year. The results of interviews with management representatives revealed that when the audit was carried out, a health check was being carried out in 2023. The previous inspection was carried out in July 2022, with the result that all workers exposed to pesticides were fit to work.

**7.2.11**

The CH has a commitment regarding pesticide applicators not being carried out by pregnant or lactating women, or people with medical limitations. The results of field observations at the Circle Spraying Activity in 14C2 Division 8 KM 2 and Spraying, Block 15E KM4 found that there were no female workers who were pregnant and/or breastfeeding, or with medical limitations. The results of the interviews revealed that women workers who were pregnant or breastfeeding, or workers with medical limitations were transferred to non-pesticide jobs. Based on this, it is known that there are no workers who are pregnant, or breastfeeding, or with medical limitations who apply pesticides.

**Status: Comply**

**7.3**

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

**7.3.1**

- The company has identified waste both from plantation operations and from palm oil mill operations. Based on document verification shown company has implemented waste management accordance with waste identification source and management plan for examples are:
  - Mill, waste source: FFB process, waste type: shell and fiber (non-toxic/hazardous waste), managed by renewable energy usage for boiler.
  - Estates, waste source: pruning activities, waste type: oil palm frond (organic waste), managed by frond stacking.
- The company has SSOP. 23 Management of Toxic and Hazardous Waste (LB3) and non-LB3 which was revised on 02 May 2020 explains, among other things, waste identification: Factory waste water, empty shells, lint and shells, emissions, LB3, and domestic waste.
- Non-hazardous and toxic waste, including domestic waste, is managed in the form of reuse for items that can still be used, such as used fertilizer sacks, as well as plastic layers inside the sacks to transport loose fruits and tie the sacks. In addition, waste that cannot be reused will be collected, if it still has economic value such as scrap metal and used tires, it will be sold. Non-hazardous waste that cannot be reused will be disposed of in a landfill with a landfill system when it is full. Transportation of non-hazardous waste from employee housing or emplacement areas is carried out once every 2 weeks using dump trucks and directly disposed of to the Landfill.
- The company has the following waste management implementation documents: Liquid waste (POME): monthly analysis of waste water quality and flow volume. B3 Waste: Logbook, balance sheet and manifest.

**7.3.2**

The company has documents on the results of monitoring the implementation of B3 and B3 waste management procedures

contained in the field inspection results

- The company already has an SOP or Work Instruction for B3 Waste management which is contained in the SSOP document for the Management of Toxic and Hazardous Waste (LB3) and non-LB3 which was revised on May 2, 2020 explaining, among others:
  - It is not allowed to use used packaging for chemicals, oil and all kinds that are classified as B3 waste in housing.
  - Hazardous waste materials are stored in a designated temporary B3 storage area (TPS LB3).
- The company has shown the June 2023 K3L Inspection records at the PKS and in the warehouse complex (B3 Warehouse, LB3 Warehouse, Material Warehouse) with the results of building feasibility and completeness of emergency response facilities and K3 still according to procedures, but the results of the K3L inspection in the housing area have not yet been completed. can be shown.
- The results of field observations at KMS-4 housing were found
  - Used vehicle oil containers (4 pcs) behind the housing.
  - Containers of used Jotun paint (4 pcs) behind the housing.
- The company has taken corrective actions in the form of: collecting LB3 to TPS LB3 and conducting outreach regarding the management of LB3.

**Description of Non-compliance:**

The company has not been able to show that LB3 management is in accordance with the SOP for Toxic and Hazardous Waste Management (LB3) and Non-LB3. NCR 2023.01 with minor category.

**7.3.3**

Based on the results of visits to Mandau POM and at KMS and KMU, it was found that there is no open fire for waste disposal. Solid and POMEs have been managed without polluting the environment.

- Solid waste management such as empty bunch is disposed in empty bunch storage before being applied to land, shells and fiber are used as boiler fuel, and boiler ash is stored in boiler ash storage before being used as stockpile.
- Liquid waste from mill is processed through WWTP until it has been fulfilled quality standard before it is steamed to land application. Domestic waste from housing area is disposed into landfill.
- B3 waste company that is produced to a licensed transporter contained in the Minutes of B3 Waste transportation by PT Pratama Saoloan Green while the B3 waste transported is used oil, used batteries, used filters, used light bulbs, used majun, B3 packaging made.
- Domestic waste from housing area is disposed into TPSA landfill.

7.3.2	<b>Status: Comply</b>
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**7.4 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.**

**7.4.1**

The CH has procedures regarding soil fertility for productivity and having a minimal impact on the environment contained in SSOP 15 concerning Erosion Management and Optimal Soil Fertility Management. It was arranged for soil and foliar analyzes to be carried out annually and fertilizer doses following agronomic recommendations. This procedure also regulates EFB and POME applications.

At the time the audit was carried out, there was no fertilization work. Regarding the recording of soil and leaf tissue analysis which will be used as one of the materials for making fertilizer recommendations, it will last be carried out in August 2022. Meanwhile, organic applications (EFB and Land Application) and inorganic manuring have been discussed in indicators 7.7.3 and 7.7.4.

**7.4.2**

The latest soil and leaf tissue analysis records are available. Soil and leaf tissue analysis was carried out by the AAR laboratory, in August 2022. The results of the soil and leaf analysis were used as consideration for determining fertilizer recommendations.

**7.4.3**

Elemental recycling strategies such as EFB and LA are available. The results of field observations show that EFB has been applied in the field, such as in the EFB Application with Grabber and Badang, Block 14C2 Division 8 KM 2 and EFB Application, Block 15B and Block 15D, KM4. From the records of waste utilization, it is known that the EFB application for the period October 2022 to June 2023 was 3,228 tons and the POME application was 17,219 m<sup>3</sup>.

**7.4.4**

The CH has maintained records of the use of fertilizers that have been applied in the estate contained in the 2022 – 2023 Fertilizer Recommendation Discussion. For information, the Company's crop maintenance period including fertilization is October to September. It has also shown the Realization of Fertilization in 2023, for example Block 98A has been fertilized with NK 17 with completed status.

**Status: Comply**

**7.5**

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

**7.5.1**

The company has shown a map of the soil types of PT. Adei Plantation & Industry – Mandau Complex with a scale of 1: 120,000 issued by PT Applied Agricultural Resources Indonesia (AARI) on April 15, 2011. The map describes the types of soil and soil conditions in the Mandau Complex. Based on the map, it is known that there is no marginal land in the area managed by the company, while for slope it is known that the complex Mandau is on land with a depth of 0- 16%. Based on document, it is known that the operational area in PT Adei Plantation & Industry – Mandau Complex was flat to undulating (0-12% or 0-60). There is no steep slope. Based on field observation during recertification audit, known no planted on steep slope or approximately ≤ 40% slopes.

Based on the explanation above, it can be concluded that the company already has maps that identify marginal and fragile soils, including land with steep slopes.

**7.5.2**

Based on document, it is known that the operational area in PT Adei Plantation & Industry Mandau Complex was flat to undulating (0-12% or 0-60). There is no steep slope. Based on field observation during recertification audit, known no planted on steep slope or approximately ≤ 40% slopes.

**7.5.3**

Based on field observations in all assessment locations during the audit revealed that there were no new plantings.

**Status: Comply**

**7.6**

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

**7.6.1, 7.6.2**

Based on the results of the study of the area statement documents, interviews with company management and the results of field visits, it was found that the company was not currently conducting new oil palm planting activities either in existing areas or new developments.

**7.6.3**

The results of field observations at all audit assessment locations, it is known that land and topographic survey information is a guide in the construction of infrastructure and drainage channels.

**Status: Comply**



**7.7**

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

**7.7.1 – 7.7.7**

PT Adei Plantation & Industry – Kebun Mandau already has a Semi Detailed Soil Map with a scale of 1:20,000 which is based on a Semi Detailed Soil Analysis which explains that the identified soils are from the orders Ultisol, Inceptisol and Oxisol which include clay and sandy mineral soils. Meanwhile, according to the association of land unit land groups, including Kandiuults, Dystropepts, Hapludox, Tropaquepts, and Tropaquods. There is no peatland in the area cultivated by PT Adei Plantation & Industry – Kebun Mandau.

**Status: Comply**

**7.8**

**Practices maintain the quality and availability of surface and ground water**

**7.8.1**

The company already has an SOP as stated in the SSPO 16 document. Ground and Surface Water Quality explains, among others:

- PKS Reservoir (Surface Water)
  - Prohibition of spraying and fertilizing as well as socialization
  - Conduct periodic water quality analysis.
- Estate Water Reservoir (Surface Water)
  - Prohibition of spraying and fertilizing as well as socialization
  - Conduct periodic water quality analysis.
- Drilling Well (Underground Water)
  - Conduct periodic water quality analysis
  - Distance from activities that can contaminate water sources is at least 1000 m.
- In terms of water resource efficiency, monitoring the use of m<sup>3</sup> water/ton FFB and controlling the use of water for washing in factories.
- Creating riparian along river basins in operational sites.
- Collecting rainwater where there is no water supply.
- Monitoring the quality of wastewater to ensure that the effluent produced meets quality standards.
- Monitoring of water quality is carried out 1 x 6 months or following the applicable environmental documents.

The company also has a water management plan made in January 2022 explaining among other things:

- Ensure clean water sources by avoiding opening waterways from water sources close to palm oil mills, housing, livestock land, clearing land and waste disposal.
- Ensuring the size of the water pond capacity is sufficient to ensure sufficient water supply during the long dry season.
- Conducting water quality analysis 2 times a year.
- Monitoring riparian at least 50m along the Penaso River border to reduce water pollution.
- Supervise by ensuring proper disposal of waste including B3 waste, pesticides, domestic waste, empty fruit, etc.
- Ensure no spraying and fertilization throughout the riparian.
- Enrichment of protective tree species along the riparian.
- Ensure that POME is managed to meet the legal requirements for disposal.

Based on result of document verification, RKL-RPL report of Semester 2 of 2022, it is known that the company has carried out management related to water sources such as:

- Reforestation with various trees, in 2019 the company has planted 1600 trees with various types of plants, and for 2020 the company has a plan to plant 1850 trees.
- Not spraying and fertilizing along river and reservoir areas.
- Creating signboards prohibited from capturing and hunting protected animals.

- Creating a river bank to prevent erosion.

### 7.8.2

The company also has a water management plan made in January 2022 explaining among other things:

- Monitoring riparian at least 50m along the Penaso River border to reduce water pollution.
- Ensure no spraying and fertilization throughout the riparian.
- Enrichment of protective tree species along the riparian.
- Company has map showing the location of areas of high conservation value. The location is contained in conservation area distribution map made by Aksenta with Map Scale 1:55,000. The company has revised SOP 10 Identification and Maintenance of River Basin Areas on 01 August 2013 which has stated that 50meter boundary mark from the riverbank area puts up a sign on the area: "River border area (50 meters)"; "No spraying"; "No fertilization".

### 7.8.3

The company already has an SOP for solid and POME management which is contained in the SSOP document. 23 Management of Toxic and Hazardous Waste (LB3) and Non-LB3 which was revised on 02 May 2020 explains related to factory wastewater, namely:

- Waste water is managed using a pond system before being channeled to the application land trench.
- The quality of the waste water that is distributed must comply with the provisions of the environmental law.
- The results of the waste pool analysis must be reported to the Environmental Service every 3 (three) months.
- Monthly and daily monitoring of sewage ponds for disposal areas/application land.
- Every day circulation is carried out from aerobic to anaerobic ponds to reduce BOD and bacterial activation.

Company has implementing land application in accordance with Bengkalis Regent's Decision Number 061/Lingkungan/DPMPSP.Pzn/2017/59 regarding to Permit for Waste Utilization for Application to Oil Palm Plantation by PT Adei Plantation & Industry in Pinggir Sub District. Location of land application is Block A-M covering area of 100 ha in Pinggir Sub District, Bengkalis District, Riau Province

Perusahaan memiliki laporan hasil analisa air limbah sbb:

- Final discharge (kolam-7) dari Mandau Central Laboratory PT. Applied Agricultural Resources Indonesia KLK KAN accredited (LP-1182-IDN)

Parameter	BML	Jan '23	Feb '23	Mar '23	Apr '23	May '23
pH	6-9	8,29	8,14	8,27	8,62	8,05
BOD	5.000	130	104	136	140	110

### 7.8.4

The company already has a water use permit as stipulated in the Decree of the Minister of Public Works and Public Housing Number 99/KPTS/M/2021 concerning the Granting of a Water Resources Concession Permit to Adei Plantation & Industry Limited Liability Company for Palm Oil Processing Industry in the Artificial Reservoir, Bengkalis Regency, Riau Province. Water resources exploitation permits are granted with a maximum water/discharge quota of 108,000 (one hundred eight thousand) m3/month with a schedule of 20 hours/day for 30 days/month which is set on January 29 2021.

Water usage records for factories january-december 2022 sebesar 849.825 m3.

Water use ranges from 51,286 m3/month to 77,019 m3/month and does not exceed the quota specified in the water use permit (108,000 m3/month). The use of water per ton of FFB is still below the water usage budget of 1.75 m3/ton of FFB.

**Status: Comply**

### 7.9

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

**7.9.1**

The company has made efforts to increase the efficiency of the use of fossil fuels and optimize renewable energy, these efforts are also monitored and documented in the form of a renewable energy monitoring document October 2022 – Jun 2023. The renewable energy used is solid waste in the form of shells and fibers used for fuel substitution. fossil fuel (diesel) as a producer of electrical energy using a boiler. The company has shown data for the period October 2022 – Jun 2023 with the use of renewable energy for processing is 24.98 -29.80 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**

Based on document verification, company has been done calculations emission with RSPO Palm GHG Calculator Version 4.0 with data input at 2022:

Description	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	Total
<b>Emission Source</b>										
Land Conversion	118547.79	10.68	0.41	0.00	0.00	0.00	0.00	0.00	0.00	118547.79
CO2 Emissions from Fertiliser	9908.96	0.89	0.03	0.00	0.00	0.00	0.00	0.00	0.00	9908.96
N2O Emissions from Peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O Emissions from Fertiliser	9998.61	0.90	0.03	0.00	0.00	0.00	0.00	0.00	0.00	9998.61
Fuel Consumption	1197.62	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1197.62
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sinks</b>										
Crop Sequestration	-103911.46	-9.36	-0.36	0.00	0.00	0.00	0.00	0.00	0.00	-103911.46
Sequestration in Conservation Area	-2261.14	-0.20	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	-2261.14
<b>Total</b>	<b>33480.38</b>	<b>3.02</b>	<b>0.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>33480.38</b>

Product	tCO2e / tProduct	Action
CPO	0.55	<input checked="" type="checkbox"/>
PK	0.55	<input checked="" type="checkbox"/>
PKO	0.00	<input checked="" type="checkbox"/>
PKE	0.00	<input checked="" type="checkbox"/>

Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	11099.60	<input checked="" type="checkbox"/>
Oil palm planted area on peat	Ha	0.00	<input checked="" type="checkbox"/>
Total oil palm planted area	Ha	11099.60	<input checked="" type="checkbox"/>
Conservation area (Forested)	Ha	246.58	<input checked="" type="checkbox"/>
Conservation area (Non-Forested)	Ha	0.00	<input checked="" type="checkbox"/>
FFB Production per hectare	t/ha	26.36	<input checked="" type="checkbox"/>
OER	%	21.67	<input checked="" type="checkbox"/>
KER	%	3.99	<input checked="" type="checkbox"/>

Description	Total emission (tCO2e)	tCO2e/ha	tCO2e/t FFB	Emission allocated to this mill (tCO2e)
Land Conversion	57907.41	10.96	0.41	57907.41
Crop Sequestration	-49401.86	-9.36	-0.35	-49401.86
*CO2 Emissions from Fertiliser	4890.94	0.93	0.03	4890.94
N2O Emissions from Peat	0.00	0.00	0.00	0.00
N2O Emissions from Fertiliser	4561.90	0.86	0.03	4561.90
Fuel Consumption	463.78	0.99	0.00	463.78
Peat Oxidation	0.00	0.00	0.00	0.00
Sequestration in Conservation area	-278.93	-0.05	-0.00	-278.93
<b>TOTAL</b>	<b>16195.22</b>	<b>3.45</b>	<b>0.13</b>	<b>16195.22</b>

**7.10.2**

Based on the observation of documents and the results of interviews with the company, that the company did not carry out new plantings starting from 2014.

**7.10.3**

Based on document verification, it shows that in managing air pollution, the company has conducted air emission tests on boilers and generators as well as ambient air. The test was carried out by a KAN accredited laboratory (LP-894-IDN) on 12 April – 10 May 2022. Based on the analysis of the test results, it can be concluded that there is no value that is above the applicable quality standard, namely the Minister of Environment Regulation Number 07 of 2007 for Boilers, Minister of Environment Regulation Number 11 of 2021 for Generators and Government Regulation Number 22 of 2021 for ambient air.

The company has carried out an inventory and a GHG emission reduction plan which was set on June 2, 2022 explaining, among other things:

- Use of decanters to reduce the loading of solids in the waste pond.
- Perform belt press maintenance to reduce the solids load of the waste pond.
- Carry out proper maintenance and monitoring of vehicles transporting fruit to the factory, transporting workers, transporting fertilizers to the field etc. and reducing the use of diesel fuel.
- Apply fertilization based on the results of soil and leaf analysis and agronomist recommendations.
- Perform scheduled maintenance to minimize solar consumption.
- Monitoring the use of solar.
- Use fiber and shells in boilers to reduce diesel consumption.
- Biogas plant.

**Status: Comply**

**7.11**

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

**7.11.1**

The company has a zero burning policy as stated in the SOP for Land Clearing No. 31 which among other things stated that land clearing was carried out using the Zero Burning Method. In addition, in the Sustainability Standard Operating Procedure No. 9, 2nd revision dated January 18, 2018 regarding Land Clearing and Replanting in point A.2, it is stated that the no-burn policy must be applied to all types of wood waste generated.

Based on the results of the field visit to the Mandau Palm Oil Mill, KMS Estate, and KMU state, there was no burning activity and based on the results of the visit at the security post there were also warnings about prohibitions and appeals not to burn land as seen in the security post.

**7.11.2**

The company already has documents on the implementation of prevention, mitigation, fire monitoring and maintenance of facilities and infrastructure along with the reports contained in the report on efforts to prevent, overcome, and control the dangers of forest and land fires for the first semester of January – June 2022 explaining, among others:

- Fire emergency planning
  - The approach is carried out by carefully examining buildings according to their use and by planning arrangements for replanting land by providing signs that are prohibited from burning in anticipation of it which aims to provide knowledge on all plantation activities in the company.
  - Organizations / units for fire rescue prevention are formed and assigned the task of handling fire prevention problems in the workplace which include administrative activities, identification of sources of danger, inspection, maintenance and repair of fire protection systems.
  - The company erected a “No Burning” sign in the plantation area to remind all parties about the dangers of fire, especially in plantation areas during the dry season.
  - The company also has plans for personnel training in the field of fire experts which will be carried out in May 2022 which has the responsibility to help oversee the implementation of laws and regulations in the field of fire prevention, Provide reports to the minister or appointed official in accordance with applicable laws and regulations, lead fire prevention before receiving assistance from the competent authority, etc.
  - Etc.

The company has a document of firefighting training conducted by the firefighter coordinator on Tuesday, May 24, 2022, which

is located in the Mandau Utara estate.

The company has also carried out reports related to fire control for the period January – June 2022 on August 2, 2022, among others, to the Bengkalis Regency Environmental Service, Bengkalis Regency Plantation Service, Bengkalis Regency Fire Department, etc.

From the results of interviews with the Bengkalis Regency Environmental Service, that there has never been a fire in the company's operational area.

### 7.11.3

The company has a document of firefighting training conducted by the firefighter coordinator on Tuesday, May 24, 2022, which is located in the north mandau estate.

The company has also carried out reports related to fire control for the period January – June 2022 on August 2, 2022, among others, to the Bengkalis Regency Environmental Service, Bengkalis Regency Plantation Service, Bengkalis Regency Fire Department, etc.

From the results of interviews with the Bengkalis Regency Environmental Service, that there has never been a fire in the company's operational area.

**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 an email from RSPO Compensation dated August 23, 2018 regarding LUCA, it was found that the result was PASS with FCL status: 0 and Remediation covering an area of 17.43 hectares and the company was asked to draft a memorandum for the remediation process. In this regard, on 22 October 2020 the company sent annex 8. The remediation plan template for Mandau (17.43 ha) to the RSPO on 22 October 2020 and based on the response from the RSPO on 23 October will be reviewed by the RSPO.

#### 7.12.2

The company has prepared an HCV Identification Document in August 2011 based on the Toolkit for Identification of High Conservation Value Areas in Indonesia June 2008 by Aksenta. Then the company updated the Conservation Area Identification Report on August 10, 2015.

It was informed that the location of the HGU PT ADEI PLANTATION & INDUSTRY Kebun Mandau is between 2 Protected Areas determined by the government according to the Decree of the Minister of Forestry Number 173/Kpts-II/1986, June 6, 1986, namely Wildlife Sanctuary Balai Raja (2 km west of HGU) and Giam Siak Kecil Wildlife Sanctuary (15 km east of HGU, after PT Arara Abadi's HPHTI concession). However, there is no corridor between the HGU location and the protected area so it is not affected by plantation activities.

The company collaborates with Aksenta with assessors Sujadnika (Approved RSPO), Pupung F. Nurwantha (Approved RSPO), Robert H. Sinaga, Gena Lysistrata and Yunus Bahar.

Based on the Decree of PT Adei P&I No 1/KM/VII/2017 regarding the determination of the HCV conservation area of 236.52 which was signed on July 14, 2017. The company already has a map of the conservation area with a scale of 1:80,000

Based on document verification and interview with management, company has conducted delineation of HCV area on 25 August 2021 by Sustainability Department. Result of delineation shows that HCV area inside HGU of PT Adei Plantation & Industry is 98.5 ha (including water spring of Papadah River, water catchment, and riparian of Penaso River).

**7.12.3**

Based on procedural note in P&C RSPO 2018, indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.

**7.12.4**

The company already has HCV monitoring and management for the period 2022/2023 which explain has been developed with stakeholders in 2022, among other things:

- Establish communication and coordination with institutions that have the authority to handle elephants appointed by the BKSDA government who have the knowledge and ability to handle human-elephant conflicts.
- Improve knowledge and skills in handling human-elephant conflict.
- Provide understanding and understanding to all plantation employees about the function of the reservoir.
- Make a warning board about not capturing/hunting/maintaining protected species.
- Planting natural vegetation in an already open area.
- Maintain the demarcated markers of the conservation area that have been mapped.
- Installing predefined notification boards
- Make a clear mark 20 meters from the bank of the papah river as the boundary of the area where chemical applications are not allowed, the boundary that is not opened during land clearing.
- Anticipating fires along the Penaso River DSS.
- Enriching open riverbanks with riparian plants.

Based on the results of field visits to the Penaso River Border, the company has managed the river border well, no traces of chemical or pesticide application were found, the company has also marked the spray limit.

Based on this explanation, the company PT Adei Plantation & Industry has met the indicator 7.12.4

**7.12.5**

The company has evidence that an agreement has been negotiated to optimally protect HCV and local community rights. There is evidence that consultation with affected communities have been carried out to identify areas that are needed by the community to meet their basic needs, taking into account the positive or negative change on livelihoods as a result of operational estates.

There is HCV scale map with a scale of 1: 55,000 which is loaded in the report on the identification of protected areas, in the report it is known that the total indicative HCV area is 112.41 Ha, the total study area of PT Adei is 14,900 Ha, and the percentage is 0.75%. The total HCV area: 112.41 Ha, of which 110.15 Ha (98% of HCV area) is a water body in the form of rivers and reservoirs. While the remaining 2.3 Ha (2% of HCV area) is HCV 6.

The Company has a Statement from Regional Director of PT ADEI P & I Mandau Estate No: TKY / 2013/047, dated December 4, 2013 concerning the Determination of Mandau Estate Status. In the letter stated that the conservation area of indigenous people (Malay Sakai tribe) in the area of PT ADEI P & I HGU covering  $\pm$  2,540 Ha. This is in accordance with the results of the "Results Summary of the Area Discussion Meeting Defined as Native Conservation in the PT ADEI P & I HGU Area and PT ARARA ABADI HTI District Duri area as Plantation Substitute Area PT ADEI P & I dated April 13, 2000 Ministry of Forestry and Plantations Riau Province Regional Office.

**7.12.6**

Company has an elephant management SOP, which explains the mechanisms for handling human-elephant conflict mitigation as protected animals under Indonesian government regulations as well as handling actions when attacks occur through dodging forests outside the HGU by coordinating elephant activities and elephant management, making isolation trench (barrier boundary), making signs (elephant crossing area) and protected animals.

The company has procedures in case of contact with elephants such as sounding noises (gong), using ship lights to dispel, using heavy equipment carefully without injuring them, and if this cannot be resolved, the company will coordinate and immediately contact the BKSDA. Based on the results of interviews with employees, it is known that there has been HCV socialization to employees. Employees have understood about the prohibition of hunting and maintaining protected wildlife.



Company shows evidence of socialization, for example socialization of HCV and protected animals was held at PT Adei Plantation & Industry on August 2022 which was attended by 32 participants.

The company already has for the protection of rare, threatened or critical species as stated in the SSOP 22 HCV Identification, Management and Monitoring of Conservation Areas and Flora and Fauna documents which explain, among others:

- Monitoring the presence of poaching by security guards and recording it in a book.
- Use checklists for monitoring HCV and flora and fauna.
- Monitoring is carried out at least 1 x 2 months by trained officers.
- Report all prohibited activities to the authorities.
- Evaluate the monitoring data that is made every year.

The company has conducted socialization of protected areas and HCVs to the workforce and the community around the plantation, for example, the Minutes of Socialization of HCV and Protected Animals which was held on April 19, 2022 to 29 employees. Based on the results of interviews with workers, that there are no cases of protected species with company workers.

**7.12.7**

The company already has HCV monitoring and management for the period 2022 which explains, among other things:

- Establish communication and coordination with institutions that have the authority to handle elephants appointed by the BKSDA government who have the knowledge and ability to handle human-elephant conflicts.
- Improve knowledge and skills in handling human-elephant conflict.
- Provide understanding and understanding to all plantation employees about the function of the reservoir.
- Make a warning board about not capturing/hunting/maintaining protected species.
- Planting natural vegetation in an already open area.
- Maintain the demarcated markers of the conservation area that have been mapped.
- Installing predefined notification boards.
- Make a clear mark 20 meters from the bank of the papah river as the boundary of the area where chemical applications are not allowed, the boundary that is not opened during land clearing.
- Anticipating fires along the Penaso River DSS.
- Enriching open riverbanks with riparian plants.

**7.12.8**

Based on an email from RSPO Compensation dated 23 August 2018 regarding LUCA, it is known that the results are PASS with FCL status: 0 and Remediation area of 17.43 hectares and the company was asked to draft a note concept for the remediation process. In relation to this, on 22 October 2020 the company sent annex 8. The remediation plan template for Mandau (17.43 ha) to RSPO on 22 October 2020 and based on the response from RSPO on 23 October 2022 will be reviewed by RSPO.

Company has shown result of communication with RSPO based on email from RSPO ([rspocompensation@rspo.org](mailto:rspocompensation@rspo.org)) on 22 February 2022 which states that "Thank you very much for your email, apologise for the late response. I am delighted to inform you that the Remediation Plan for PT Adei: Kebun Mandau has been reviewed and endorsed. Remediation Plan for PT Adei- Kebun Mandau with 5.49 ha remediation area of riparian buffer for floodplain area, 0 Final Conservation. Addressing a small remediation area, project is less risk."

<b>Status: Comply</b>	
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**3.2 Conformity Checklist of Certificate and Trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-2.1</b>	PT Adei Plantation & Industry do not use trademark or logo	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA-2.1</b>	PT Adei Plantation & Industry do not use trademark or logo	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA-2.1</b>	PT Adei Plantation & Industry do not use trademark or logo	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-2.1</b>	PT Adei Plantation & Industry do not use trademark or logo	√
	<b>Status: Comply</b>	

**3.3 Summary of RSPO Partial Certification.**

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

Kuala Lumpur Kepong Bhd Time Bound Plan is explained in point 1.10. Kuala Lumpur Kepong Bhd has informed the Time Bound Plan progress, MUTU has considered that Kuala Lumpur Kepong Bhd is complied with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Kuala Lumpur Kepong Bhd and endorsed by RSPO secretariat on 07 July 2023.

MUTU has verified partial certification for un-certified unit's subsidiary of Kuala Lumpur Kepong Bhd based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above.
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.
- Based on the results of the auditor's verification, all information related to units that have not been certified have been included in the company's own assessment.
- There is additional information related to several units that are no longer included in the company's timebound plan, for example: Mill1 (Malaysia) and PT Anugrah Surya Mandiri (Indonesia).

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Positive assurance statement provided, which does include the new mill found in the revised time bound plan</p> <p>Auditor verification: There are internal audit that has been conducted for uncertified unit :</p> <ul style="list-style-type: none"> <li>- Sinergi POM</li> <li>- IPS POM</li> <li>- Bumi Makmur Sejahtera</li> <li>- Prima POM</li> <li>- PWS POM</li> <li>- Segah POM</li> <li>- Palm Bay Mill</li> </ul>
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>The Company has conducted HCV assessment for all subsidiaries where the assessment report confirms that there was no replacement of primary forest or containing HCV. Related to the new mills and newly acquired land are waiting for the concept plan to be approved.</p> <p>Auditor verification: Auditor has verified the supporting evidence of</p>

		above the company statement. The above statement in accordance with the supporting evidence provided. The uncertified that follow RaCP is PT Menteng Jaya Sawit Perdana. For other uncertified unit, known that there is no new planting
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p>The newly acquired lands will adhere to the NPP procedures when it is ready. However, HCV assessment was conducted prior to development. There is new planting after January 2010 in PT PBJ which prior owned by other company. The NPP submission was not submitted by the previous owner, however HCV assessment was conducted prior to development.</p> <p>Auditor verification There is new planting after 2010 in PT Putra Bonga Jaya and this is uncertified unit will follow sanction. For the other uncertified unit, there is no new planting after 1 January 2010.</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>SIA conducted reported that there are land conflicts at some of the uncertified units and the company is handling through FPIC and grievance procedures.</p> <p>Auditor verification The company has procedure to resolve the land conflict which has explain that problem solving of conflict area.</p> <p>There is evidence of documented land dispute resolution for the uncertified units. No issue that obtains by web search.</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>None noted. No stakeholder comments or complaints received.</p> <p>Auditor verification. There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries. The company has a mechanism for dealing with complaints.</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>None noted. No stakeholder comments or complaints received.</p> <p>Auditor verification There's uncertified unit that still on HGU process:</p> <ul style="list-style-type: none"> <li>- PT Bumi Makmur Sejahtera</li> <li>- PT Menteng Jaya Sawit Perdana</li> </ul>

**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-RC Assessment**

<b>NCR No.</b>	:		<b>Issued by</b>	:	
<b>Date Issued</b>	:		<b>Time Limit</b>	:	
<b>NC Grade</b>	:		<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:				
<b>Evidence observed</b> (filled by auditor):					
<b>Non-Conformance Description</b> (filled by auditor):					
DURING THE AUDITING PROCESS THE AUDITOR DOES NOT IDENTIFY THE NONCONFORMITY IN ACCORDANCE WITH RSPO P&C					
<b>Root Cause Analysis</b> (filled by organization audited):					
<b>Correction</b> (filled by organization audited):					
<b>Corrective Action</b> (filled by organization audited):					
<b>Assessor Evaluation and Conclusion</b> (filled by auditor):					
<b>Verified by</b>	:				

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

<b>NCR No.</b>	<b>: 2023.01</b>	<b>Issued by</b>	<b>: I Wayan Sudi Antara</b>
<b>Date Issued</b>	<b>: 22 Juli 2023</b>	<b>Time Limit</b>	<b>: Next ASA</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 19 September 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.3.2</b> <b>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</b>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>• SSOP 23 dated 2 June 2023 Revision 4 states that Management of Hazardous Waste (LB3) and Non-LB3 explains, among other things: <ul style="list-style-type: none"> <li>- All B3 waste generated by housing must be handed over to the company to be managed.</li> <li>- It is not allowed to use used packaging for chemicals, oil and all kinds that are classified as B3 waste in housing.</li> </ul> </li> <li>• The company has shown the June 2023 K3L Inspection records at the PKS and in the warehouse complex (B3 Warehouse, LB3 Warehouse, Material Warehouse) with the results of building feasibility and completeness of emergency response facilities and K3 still according to procedures, but the results of the K3L inspection in the housing area have not yet been completed. can be shown.</li> <li>• The results of field observations at KMS-4 housing were found <ul style="list-style-type: none"> <li>- Used vehicle oil containers (4 pcs) behind the housing.</li> <li>- Containers of used Jotun paint (4 pcs) behind the housing.</li> </ul> </li> <li>• The company has taken corrective actions in the form of: collecting LB3 to TPS LB3 and conducting outreach regarding the management of LB3.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show that LB3 management is in accordance with the SOP for Hazardous Waste Management (LB3) and Non-LB3 that it has.			
<b>Root Cause Analysis (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Employees do not comply with the SOP for Management of Hazardous Waste (LB3) and Non-LB3.</li> <li>2. Employees do not fully understand the types of LB3/Non LB3.</li> </ol>			
<b>Correction (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Warning Letter to Employees who violate the SOP for Hazardous Waste Management (LB3) and Non-LB3 (Attachment 1)</li> <li>2. Proof of return of LB3 from housing to TPS LB3 (Attachment 2)</li> </ol>			
<b>Corrective Action (filled by organization audited):</b> <ol style="list-style-type: none"> <li>1. Housing Inspection Checklist covering K3 and Environmental aspects (Appendix 3)</li> <li>2. Socialization of SSOP NO.23 concerning Management of Hazardous Waste (LB3) and Non-LB3 (Attachment 4)</li> <li>3. Installing warning signboards about LB3 in residential areas (Appendix 5)</li> </ol>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> The company has shown evidence of improvement in the form of: <ol style="list-style-type: none"> <li>1. Warning Letter (1) to 2 employees who have violated LB3 management procedures as well as proof of socialization of the prohibition on using used B3 containers and discussed in bipartite negotiations (Attachment-1)</li> <li>2. Documentation of returning LB3 to TPS LB3 (Attachment-2)</li> <li>3. Periodic Housing Inspection Checklist document covering K3 and Environmental aspects. For example, for 30</li> </ol>			



August and 2 September 2023 (Attachment-3)

4. Records of socialization activities at KM1-KM6 include socialization materials and photo documentation and attendance list (Attachment-4)
5. Documentation of installing warning signboards about LB3 in the KM1-KM6 residential area (Appendix-4).

Based on this evidence, NCR 2023.01 can be fulfilled (Closed) and observations will be made in the next audit.

<b>Verified by</b>	<b>:</b>	<b>I Wayan Sudi Antara</b>
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**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	2.1.1	<p><b>The unit of certification complies to relevant regulations</b></p> <p>The company shows a screenshot of licensing completion at the Ministry of Environment and Forestry, Registration Date: 5-12-2022 with the status still in process at the technical unit.</p> <p>Companies are encouraged to follow up on the progress of Changes in Environmental Approval including: Updating RKL-RPL; Changes in the area of Application Land; Domestic IPLC; Permit for TPS LB3 at the Ministry of Environment and Forestry.</p>
2	2.2.2	<p><b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.</b></p> <p>Certification units are encouraged to ensure monitoring and evaluation of legal compliance for all contracts with third parties in accordance with applicable regulations.</p>
3	3.6.1	<p><b>All operational activities risks assessed to identify the H&amp;S issues. Mitigation plans and procedures are documented and implemented.</b></p> <p>The results of the document review found that work accidents occurred during repeated harvesting activities, including being struck by fallen fronds and punctured by thorns. In addition, from the results of P2K3 meetings from January to April 2023, mitigation is carried out by carrying out safety briefings, using PPE, and harvesting training. The Harvest Training was carried out in April, and the results of PPE field observations have been fulfilled, but harvest work accidents still occur due to fallen fronds and pricked by thorns, so that at the P2K3 meeting in May 2023 it was decided to review the HIRAC.</p> <p>Based on this, companies are encouraged to monitor the effectiveness of the HIRAC review results to mitigate work accidents, especially in harvesting activities.</p>

**3.4.4. Noteworthy Positive Components**

No	Description
1	The company's commitment to continue to apply the principles of sustainable palm oil
2	No longer using pesticides with the active ingredient Paraquat
3	Has ISCC and ISPO certificates
4	Has received Blue PROPER for the 2021-2022 period from the Ministry of Environment and Forestry
5	Have a methane capture installation

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Plantation Service of Bengkalis Regency</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• The plantation business assessment has been carried out in 2022. The unit of certification obtained the results of the plantation class assessment, namely class II with a good category which is valid from 30 June 2022 – 30 June 2025.</li> <li>• In general, the unit of certification has routinely submitted mandatory reports, such as the Plantation Business Development Report. Including land fire reporting and CSR.</li> <li>• There are no negative issues from the community around the certification unit regarding disturbances caused by the operational activities of the certification unit.</li> <li>• There is no history of fire incidents in the concession area of the certification unit in the last 1 year. The certification unit also has adequate fire prevention and control facilities and infrastructure.</li> <li>• The Plantation Service has conducted a visit to the certification unit in the second quarter of 2023, one of the agendas of which is to monitor the replanting trial plan. So that the replanting activities carried out by the certification unit are based on the <i>Rencana Kerja Pembukaan dan/atau Pengelolaan Lahan Perkebunan (RKPPLP)</i> issued by the Plantation Service.</li> <li>• Communication between the Agency and the certification unit is well established.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Environmental Service of Bengkalis Regency</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• The certification unit has a valid environmental permit, hazardous and toxic waste storage permit and domestic liquid waste disposal permit.</li> <li>• The POME disposal permit owned by the unit of certification has expired. The certification unit has plans to increase Land Application (LA) capacity so it is currently submitting a renewal of the permit to the Ministry of Environment and Forestry of Riau Province.</li> <li>• Companies routinely submit mandatory reports such as <i>RKL-RPL</i> reports, hazardous and toxic waste management reports, and liquid waste management reports to the Environmental Office.</li> <li>• The transportation of hazardous and toxic waste has been carried out by a licensed carrier.</li> </ul>	<p>The company shows a screenshot of licensing completion at the Ministry of Environment and Forestry, Registration Date: December 5, 2022 with the status still in process at the technical unit. This becomes OFI in indicator 2.1.1.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Supervision by the Agency is carried out every year in the form of field visits. The last field visit was carried out in the early semester of 2023 with the result that there were no indications of environmental pollution caused by the company's operational activities and there were no issues or negative reports related to the environment from the public.</li> <li>Communication between the Agency and the certification unit is well established.</li> </ul>	
<p><b>National Land Agency of Bengkalis Regency</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>The unit of certification has extended the <i>HGU</i> permit.</li> <li>No complaints of land conflicts from the surrounding community were submitted to the National Land Agency of Bengkalis Regency.</li> <li>The company has submitted periodic reports on the utilization of <i>HGU</i> to the National Land Agency of Bengkalis Regency.</li> <li>Communication between the Agency and the certification unit is well established.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Bengkalis Regency Manpower Office</b></p> <ul style="list-style-type: none"> <li>The PKB has been registered at the Manpower Office.</li> <li>So far, there have been no labor problems at PT Adei Plantation.</li> <li>The company has submitted a mandatory report in accordance with the provisions.</li> <li>The company has implemented the Bengkalis Regency minimum wage.</li> <li>There is no child labor in the Company's area.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Muara Basung &amp; Tenganau Village</b></p> <ul style="list-style-type: none"> <li>Representing the previous land owner, the village head acknowledged that there were no problems related to the process of transferring land ownership.</li> <li>Currently, there is a plan for the company's partnership with the surrounding community, but the village is still coordinating the community regarding the desired partnership pattern.</li> <li>Social assistance has also been received by the community, such as road repairs and other assistance.</li> <li>Good public relations with the company.</li> <li>Many people work in the company.</li> <li>Until now there are no issues related to environmental pollution or land disputes.</li> </ul>	<p>There's no negative issues need to further verification.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Realization of the gender committee's work program for 2022 – 2023 went smoothly without any problems. The work programs implemented include the following: <ul style="list-style-type: none"> <li>- Integrated healthcare center for health checks for toddlers, pregnant women and breastfeeding mothers in collaboration with health centers around the certification unit.</li> <li>- Improving the immune system for school children (kindergarten, elementary and junior high school) by providing vitamins, nutritious food and health checks.</li> <li>- Outreach and recording of cases of sexual harassment, domestic violence and extramarital affairs.</li> <li>- Outreach regarding the complaint mechanism.</li> </ul> </li> <li>• Over the past year, there have been no issues related to gender discrimination, harassment, violence or serious violations of reproductive rights within the unit of certification.</li> <li>• At present it is certain that there are no pregnant or lactating women workers who work using chemicals. This is because the unit of certification has its own policy regarding the prohibition of pregnant or lactating women workers from working in jobs related to chemicals and carrying heavy loads.</li> <li>• In addition, women workers are also entitled to leave for menstruation and maternity leave.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Labor Union</b></p> <ul style="list-style-type: none"> <li>• <b>KSPSI (Head of Labor Union)</b></li> <li>• <b>PUK-SPPP-SPSI (Head of Labor Union)</b></li> <li>• <b>SBRI (Head of Labor Union)</b></li> </ul> <p>July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• The labor union has been registered with the Manpower Office of Bengkalis Regency.</li> <li>• Regular internal trade union meetings are held at least once a month or when there are matters that need to be discussed. Likewise, coalition meetings between labor unions are routinely held during bipartite meetings with representatives of certification unit management or during CLA negotiations. All meeting activities have been documented in the minutes document.</li> <li>• All workers in the unit of certification are permanent workers. There are no more contract worker (<i>PKWT</i>) or daily worker (<i>BHL</i>) workers.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>Payroll is in accordance with the stipulation of the minimum wage in Bengkalis Regency for 2022 and 2023. In addition, salary payments are in accordance with the specified time and via bank transfer.</li> <li>Over the past year there have been no complaints regarding forced labor/trafficking, child labor, discrimination or sexual harassment/violence.</li> </ul>	
<p><b>Employee Cooperative</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>The unit of certification has a policy to support the formation of workers' cooperatives to help the welfare of its employees. It is known that cooperative employees are engaged in the business of supplying goods/materials for basic needs and selling drinking water for daily needs.</li> <li>The company's support for workers' cooperatives is by providing capital loans, providing transportation to facilitate shopping for goods/material stock needs and providing cooperative buildings.</li> <li>The Annual Member Meeting for the 2022 fiscal year was held in July 2023.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>PT Dongan Yakin Bersama (CPO Transporter)</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>Cooperation has existed for 10 years. The form of cooperation between the contractor and the unit of certification is the transportation of CPO to the factory unit.</li> <li>The company routinely conducts outreach to contractors regarding compliance with regulations and policies that apply within the company such as the application of OHS at work, fulfillment of workers' rights, environmental management and others. Socialization is carried out at least once every 2 or 3 months and at the time of renewal of the work contract. These provisions have also been stated in the cooperation agreement.</li> <li>Contractor has provided PPE for workers.</li> <li>Contractors have enrolled their workers in the <i>BPJS</i> Employment and <i>BPJS</i> Health programs.</li> <li>The contractor has also paid wages in accordance with the applicable minimum wage provisions in Bengkalis Regency.</li> <li>While working with the company, the contractor said there were no complaints.</li> <li>The cooperation and communication that has been established so far has been quite good.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>PT Parna Jaya Pinggir (FFB Transporter)</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Cooperation has been established for 5 years. The form of cooperation between the contractor and the unit of certification is the transportation of FFB from the estate to mill.</li> <li>• The company routinely conducts outreach to contractors regarding compliance with regulations and policies that apply within the company such as the application of OHS at work, fulfillment of workers' rights, environmental management and others. Socialization is carried out at least once every 2 or 3 months and at the time of renewal of the work contract. These provisions have also been stated in the cooperation agreement.</li> <li>• Contractor has provided PPE for workers.</li> <li>• Contractors have enrolled their workers in the <i>BPJS</i> Employment program. Contractors do not include <i>BPJS</i> Health because all of their workers are workers who have registered in the Indonesian government's health insurance program, namely Contribution Assistance Recipients (<i>PBI</i>) and Regional Health Insurance (<i>JAMKESDA</i>).</li> <li>• The contractor pays wages in accordance with the wage unit production provisions. It is known that the fee for transporting FFB is IDR 20,000/ton of FFB and the fee for transporting lozenges is IDR 40,000/ton of loose fruit.</li> <li>• While working with the company, the contractor said there were no complaints.</li> <li>• The cooperation and communication that has been established so far has been quite good.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>PT Indotama Jaya Mas (Heavy Equipment and Construction Contractors)</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Cooperation has existed for 25 years. The form of cooperation between the contractor and the unit of certification is the transportation of heavy equipment and building construction.</li> <li>• The company routinely conducts outreach to contractors regarding compliance with regulations and policies that apply within the company such as the application of OHS at work, fulfillment of workers' rights, environmental management and others. Socialization is carried out at least once every 2 or 3 months and at the time of renewal of the work contract. These provisions have also been stated in the cooperation agreement.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• Contractor has provided PPE for workers.</li> <li>• Contractors have enrolled their workers in the <i>BPJS</i> Employment and <i>BPJS</i> Health programs.</li> <li>• The contractor has also paid wages in accordance with the applicable minimum wage provisions in Bengkalis Regency.</li> <li>• While working with the company, the contractor said there were no complaints.</li> <li>• The cooperation and communication that has been established so far has been quite good.</li> </ul>	
<p><b>PT Riau Security Indonesia (Security Labor Provider Service Contractor)</b> July 18<sup>th</sup>, 2023</p> <ul style="list-style-type: none"> <li>• Cooperation has been established for 5 years. The form of cooperation between the contractor and the certification unit is the provider of security labor services for the Mandau Utara estate.</li> <li>• The company routinely conducts outreach to contractors regarding compliance with regulations and policies that apply within the company such as the application of OHS at work, fulfillment of workers' rights, environmental management and others. Socialization is carried out at least once every 2 or 3 months and at the time of renewal of the work contract. These provisions have also been stated in the cooperation agreement.</li> <li>• The contractor has provided uniforms, PPE and tools for workers.</li> <li>• Contractors have enrolled their workers in the <i>BPJS</i> Employment and Health <i>BPJS</i> programs.</li> <li>• The contractor has also paid wages in accordance with the applicable minimum wage provisions in Bengkalis Regency.</li> <li>• While working with the company, the contractor said there were no complaints.</li> <li>• The cooperation and communication that has been established so far has been quite good.</li> </ul>	<p>There are no things that need to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>PT Adei Plantation &amp; Industry Asst. GM Kebun Mandau</p>  <p><b>Heru Andoyo SP</b> Monday, 21 August 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b>Rahmat Abdiansyah</b> Monday, 21 August 2023</p> </div> </div>

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Land Agency of Bengkalis Regency	Bengkalis Regency	-	Interview by phone	18 July 2023	✓	
2	Bengkalis Regency Environmental Service	Bengkalis Regency	-	Interview by phone	18 July 2023	✓	
3	Labor and Manpower Agency	Bengkalis District, Riau Province	-	Direct Interview	18 July 2023	✓	
4	Plantation Agency	Bengkalis Regency	-	Interview by phone	18 July 2023	✓	
5	Gender Committee	PT Adei Plantation & Industry	-	Direct Interview	18 July 2023	✓	
6	Muara Basung Village	Bengkalis Regency	-	Direct Interview	18 July 2023	✓	
7	Tengganau Villae	Bengkalis Regency	-	Direct Interview	18 July 2023	✓	
8	Labor Union <ul style="list-style-type: none"> <li>• KSPSI (Head of Labor Union)</li> <li>• PUK-SPPP-SPSI (Head of Labor Union)</li> <li>• SBRI (Head of Labor Union)</li> </ul>	PT Adei Plantation & Industry	-	Interview by phone	18 July 2023	✓	
9	Employee Cooperative	PT Adei Plantation & Industry	-	Direct Interview	18 July 2023	✓	
10	Mandau POM <ul style="list-style-type: none"> <li>• 1 Sortation Foremen</li> <li>• 2 Sortation Workers</li> <li>• 1 Wheel Loader Operator</li> <li>• 1 boilerman</li> <li>• 2 Boiler Workers</li> <li>• 1 Press Operator</li> <li>• 1 Engine romp Operators</li> <li>• 1 Kernel Operator</li> <li>• 1 Sample boy</li> <li>• 3 fire emergency responders</li> </ul>	PT Adei Plantation & Industry	-	Direct Interview	18 July 2023	✓	
11	KMS <ul style="list-style-type: none"> <li>• 4 harvest workers</li> </ul>	PT Adei Plantation & Industry	-	Direct Interview	20 July	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>• 1 harvest foreman</li> <li>• 5 spray workers</li> <li>• 1 spray foreman</li> <li>• 1 HGU stake monitoring worker</li> <li>• 2 daycare workers</li> <li>• 1 nursery worker</li> <li>• 2 FFB loading and unloading workers</li> <li>• 1 driver FFB transporter</li> </ul>						
12	KMU <ul style="list-style-type: none"> <li>• 1 EFB Grabber Operator</li> <li>• 3 EFB – Badang Operators</li> <li>• 1 EFB Foremen</li> <li>• 1 Circle Spraying Foremen</li> <li>• 2 Circle Sprayers</li> <li>• 1 FFB Loader and Quick Operator</li> <li>• 1 Manual Weeding Operator</li> <li>• 3 Manual Workers</li> <li>• 1 Harvesting Foremen</li> <li>• 3 Harvesters</li> <li>• 1 HGU stake monitoring worker</li> </ul>	PT Adei Plantation & Industry	-	Direct Interview		✓	
13	PT Indotama Jaya Mas	Bengkalis Regency	-	Direct Interview	18 July 2023	✓	
14	PT Riau Security Indonesia	Bengkalis Regency	-	Direct Interview	18 July 2023	✓	
15	PT Pama Jaya Pinggir	Bengkalis Regency	-	Via Phone	18 July 2023	✓	
16	PT Dongan Yakin Bersama	Bengkalis Regency	-	Via Phone	18 July 2023	✓	
17	World Wide Fund	Indonesia	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Via email	10 July 2023		✓
18	Wahana Lingkungan Hidup Indonesia	Indonesia	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Via email	10 July 2023		✓
19	Sawit Watch	Indonesia	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Via email	10 July 2023		✓
20	AMAN	Indonesia	<a href="mailto:rumahaman@aman.or.id">rumahaman@aman.or.id</a>	Via email	10 July 2023		✓

**Appendix 2. Assessment Program**

DATE	12 – 17 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 17 July 2023</b>		
07.30 – 09.15	<b>JAKARTA (CGK) → PEKANBARU (PKU) : GA-172</b>	All Auditor
10.00 – 12.30	<b>From the airport to the audit location</b>	All Auditor
14.00 – 16.00	<b>Opening meeting:</b> <ul style="list-style-type: none"> <li>• Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>• Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	All Auditor, Management Representative PT Adei Plantation & Industry
15.00 – 17.00	<b>Document Verification</b>	All Auditor
<b>Tuesday, 18 July 2023</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>• Public consultation with stakeholder to relevant agency in Bengkalis Regency</li> <li>• Stakeholder consultation to affected communities surrounding the plantations and previous land owner.</li> <li>• Interview with Related Agencies, Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier by phone or direct.</li> </ul>	RAB/SIA RAB/SIA RAB/SIA
08.00 – 12.00	<b>Field Observation to Mandau Utara Estate</b> Aspect to be verified: <ul style="list-style-type: none"> <li>- Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Implementation of Occupational Health &amp; Safety Aspect</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul> Interview with related personnel during field observation	SAS WYN
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.30	<b>Field observation to Mandau POM:</b> <ul style="list-style-type: none"> <li>• Supply Chain verification (FFB Receiving, Weighbridge)</li> <li>• Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO.</li> <li>• Implementation of Environmental aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; land application</li> </ul>	RAB SAS/SIA WYN



DATE	12 – 17 September 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.30 – 17.00	Presentation of Daily Progress	All Auditor
<b>Wednesday, 19 July 2023</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Document verification</li> <li>Continuing stakeholder consultation (if anything was not done the previous day)</li> </ul>	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.30	Document verification	All Auditor
16.30 – 17.00	Presentation of Daily Progress	All Auditor
<b>Thursday, 20 July 2023</b>		
08.00 – 12.00	<b>Field Observation to Mandau Selatan Estate</b> Aspect to be verified: <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Implementation of Occupational Health &amp; Safety Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul> Interview with related personnel during field observation	<b>RAB</b> <b>SAS/SIA</b>  <b>WYN</b>
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Document verification	All Auditor
16.00 – 17.00	Presentation of Daily Progress	
<b>Friday, 21 July 2023</b>		
08.00 – 12.00	Document verification	All Auditor
12.00 – 14.00	Break	All Auditor
14.00 – 16.00	Document verification	All Auditor
16.00 – 17.00	Presentation of Daily Progress	All Auditor
19.00 – 20.00	Internal discussion by auditor team preparing for Closing Meeting	All Auditor
<b>Saturday, 22 July 2023</b>		
09.00 – 10.00	<b>Closing Meeting:</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>Comments, Responses and Questions</li> </ul>	All Auditor
10.00 – 12.30	From the audit location to the airport	All Auditor
15.30 – 17.15	PEKANBARU (PKU) → JAKARTA (CGK) : ID-6855	All Auditor