

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

**[✓] Surveillance**

Name of Management Organization : **Bukit Ajong Factory, PT Sedjahtera Indo Agro subsidiary of Sime Darby Plantation Berhad.**

Plantation Name : West Estate and East Estate.

Location : Village of Dosan, Sub District of Parindu, District of Sanggau, Kalimantan Barat Province, Indonesia

Certificate Code : **MUTU-RSPO/088**

Date of Initial Registration : 18 July 2016

Date of Certificate Issue : 01 August 2022      Date of License Issue : 02 October 2023

Date of Certificate Expiry : 31 July 2027      Date of License Expiry : 31 July 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA 2.1	22 - 27 May 2023	Moh Arif Yusni (Lead Auditor), Rahmat Abdiansyah, Kiki Fadli dan Rizki Tanaya	Hasiholan Sihombing	Leonada

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

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Figure 1. Location Map of PT Sedjahtera Indo Agro

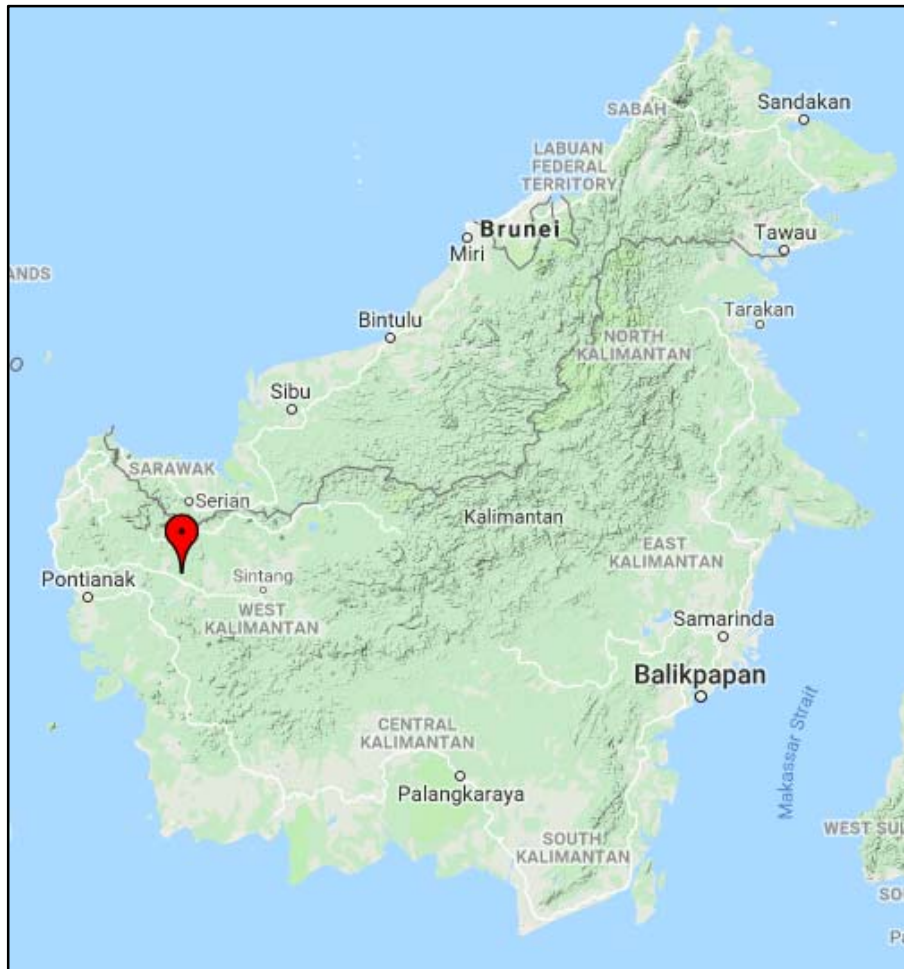
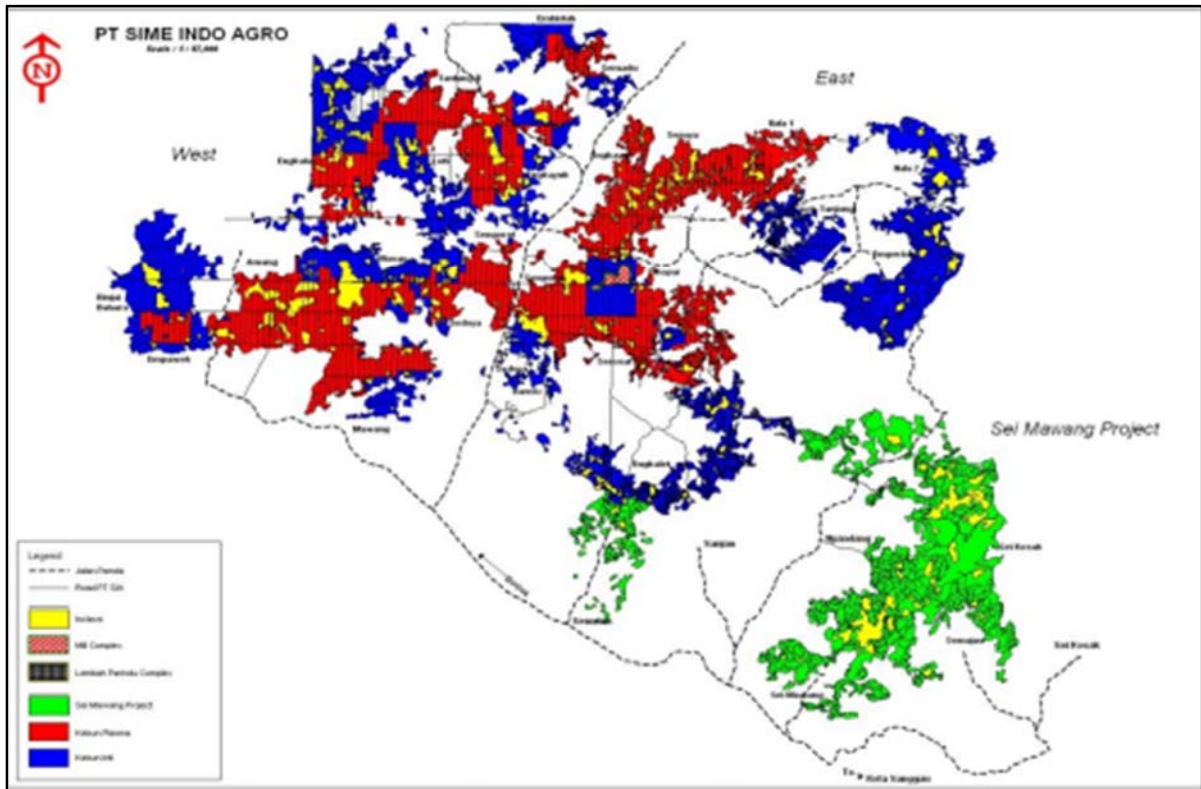


Figure 2. Operational Map of PT Sedjahtera Indo Agro



**Abbreviations Used**

ASA	:	Annual Surveillance Assessment
AMDAL	:	<i>Analisis Manajemen Dampak Lingkungan</i>
ANDAL	:	<i>Analisis Dampak Lingkungan</i>
B3	:	<i>Bahan Berbahaya dan Beracun</i> / hazardous and toxic materials
BAPEDAL	:	<i>Badan Penanggulangan Dampak Lingkungan</i>
BKSDA	:	<i>Badan Konservasi Sumber Daya Alam</i> / natural resource conservation agency
BOD	:	Biological Oxygen Demand
BPJS TK and KES	:	<i>Badan Penyelenggara Jaminan Sosial Tenaga Kerja dan Kesehatan</i> / Workers Social Security Agency
BPN	:	<i>Badan Pertanahan Nasional</i> / National Land Agency
CB	:	Certification Body
CD	:	Community Development
CH	:	Certificate Holder
CITES	:	Convention on International Trade in Endangered Species
CLA	:	Collective Labour Agreement / <i>Perjanjian Kerja Bersama</i>
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
Danramil	:	<i>Komando Rayon Militer</i> (military sub-district command)
DLH	:	<i>Dinas Lingkungan Hidup</i>
DLW	:	Decent Living Wage
DPMPSTP	:	<i>Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu</i>
EBA	:	Empty Fruits Bunch
EFB	:	Empty Fruit Bunch
EIA	:	Environment Impact Assessment
EMU	:	Ecological Management Unit
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed and Consent
GHG	:	Green House Gas
GIS	:	Geographic Information System
HCS	:	High Carbon Stock
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> / Land Use Rights
HGB	:	<i>Hak Guna Bangunan</i> / Building Right Title
HIRAC	:	Hazard Identification Risk Assessment & Control
Hiperkes	:	<i>Higiene Perusahaan dan Kesehatan Kerja</i> (Company Hygiene and Occupational Health)
IDR	:	Indonesian Rupiah
IPM	:	Integrated Pest Management
ISPO	:	Indonesia Sustainable Palm Oil
IUP	:	<i>Izin Usaha Perkebunan</i> / Plantation Permit
Jamsostek	:	<i>Jaminan Sosial Tenaga Kerja</i> (Worker Social Security Program)
KAN	:	<i>Komite Akreditasi Nasional</i>
KepmenLH	:	<i>Keputusan Menteri Lingkungan Hidup</i>
KER	:	Kernel Extraction Rate
KUD	:	<i>Koperasi Unit Desa</i> / Village Cooperative Unit
LB3	:	<i>Limbah Bahan Berbahaya dan Beracun</i> / hazardous and toxic materials waste
LPUP	:	<i>Laporan Perkembangan Usaha Perkebunan</i>

LSU	:	Leaf Sampling Unit
LTA	:	Lost Time Accident
LUCA	:	Land Use Change Analysis
MUSPIKA	:	Musyawah Pimpinan Kecamatan / District Leader Conference
MSDS	:	Material Safety Data Sheet
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
P&C	:	Principles and Criteria
P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee
Permenakertrans	:	Perturan Menteri Tenaga Kerja dan Transmigrasi
PermenLHK	:	Peraturan Menteri Lingkungan Hidup dan Kehutanan
PIC	:	Person in Charge
PK	:	Palm Kernel
PKWT	:	Perjanjian Kerja Waktu Tertentu / Contract worker
PKWTT	:	Perjanjian Kerja Waktu Tidak Tertentu / Permanent worker
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
Puskesmas	:	Pusat Kesehatan Masyarakat (Public health center)
PR	:	Public Relation
RC	:	Recertification
RKL	:	Rencana Kelola Lingkungan
RPL	:	Rencana Pemantauan Lingkungan
RTE	:	Rare, Threatened, & Endangered
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification Standard
SHM	:	Surat Hak Milik
SIA	:	Sedjahtera Indo Agro
SIA	:	Social Impact Assessment
SIMPEL	:	Sistem Pelaporan Elektronik / electronic reporting system
SKU-B	:	Syarat Kerja Umum-Bulanan / Unit payment monthly
SKU-H	:	Syarat Kerja Umum-Bulanan / Unit payment daily
SOP	:	Standard Operating Procedure
SPK	:	Surat Perjanjian Kerja / Work Agreement
SPL	:	Surat Perintah Lembur / Overtime warrant
SSU	:	Soil Sampling Unit
WLTK	:	Wajib Laport Tenaga Kerja / Employment Report
WTP	:	Water Treatment Plant
WWTP	:	Waste Water 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 Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</li> </ul>	
<b>1.2</b>	<b>Organization Information</b>		
1.2.1	Organization name listed in the certificate	<b>PT Sedjahtera Indo Agro subsidiary of Sime Darby Plantation Berhad</b>	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organization address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301.  Liaison Office: The Plaza Office Tower, 36th Floor, Jl. M. H. Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	(+62-21)-29926000	
1.2.5	Fax	(+62-21)-29922686	
1.2.6	E-mail	<a href="mailto:alagendran.maniam@simedarbyplantation.com">alagendran.maniam@simedarbyplantation.com</a>	
1.2.7	Web page address	<a href="http://www.simedarbyplantation.com">www.simedarbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability – Minamas Plantation)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 – 7 September 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 base: Bukit Ajong Factory, East Estate and West Estate.	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	<b>Location of Mill</b>		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Bukit Ajong Factory	Village of Dosan, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 16' 10"      E 110° 28' 58"
1.4.2	<b>Location of Certification Scope of Supply Base</b>		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>

	West Estate	Village of Palem Jaya, Sub District of Parindu, District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 16' 18"	E 110° 24' 21"	
	East Estate	Village of Hibun, Sub District of Parindu; District of Sanggau, Province of Kalimantan Barat, Indonesia	N 0° 15' 22"	E 110° 30' 09"	
<b>1.5</b>	<b>Description of Area Statement</b>				
1.5.1	Tenure				
	• State		7,227.78 Ha		
	• Community		-		
	<b>Total</b>		<b>7,227.78 Ha</b>		
1.5.2	<b>Area Statement</b>				
		<b>Description</b>	<b>West Estate</b>	<b>East Estate</b>	<b>Total (Ha)</b>
		<b>Total area</b>	<b>4,562.30</b>	<b>2,665.48</b>	<b>7,227.78</b>
		Mature area	2,462.30	709.80	3,172.10
		Mill	-	29.97	29.97
		Emplacement, Road, etc.	78.81	174.03	252.84
		Occupation Area	1,989.59	1,146.93	3,136.52
		Conservation Area (HCV)	8.97	312.23	321.20
		River	-	292.52	292.52
		Nursery	22.63	-	22.63
<b>1.6</b>	<b>Planting Year and Cycles</b>				
1.6.1	<b>Age profile of planting year</b>				
		<b>Planting Year</b>	<b>West Estate</b>	<b>East Estate</b>	<b>Total (Ha)</b>
		1997	622.14	-	622.14
		1998	686.04	-	686.04
		1999	-	333.89	333.89
		2003	-	15.93	15.93
		2004	-	36.25	36.25
		2016	235.67	22.99	258.66
		2017	504.94	125.7	630.64
		2018	177.00	142.15	319.15
		2019	236.51	32.89	269.40
		<b>TOTAL</b>	<b>2,462.30</b>	<b>709.80</b>	<b>3,172.10</b>
1.6.2	<b>New Planting area after January 2010</b>		- Ha		
1.6.3	<b>Planting Cycle</b>		2 <sup>nd</sup> Cycle		
<b>1.7</b>	<b>Description of Mill and Supply Base</b>				
1.7.1	<b>Description of Mill</b>				



Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
			Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
Bukit Ajong	40	118,280.20	24,510.70	20.72	5,234.18	4.43
<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>						
1.7.2	Description of Certification Scope of Supply Base					
Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (ton/year)	Yield (ton/ha/year)	Supplied to Mill	
					FFB (ton/year)	%
East Estate	2,665.48	709.80	2,015.27	2.84	2,015.27	100
West Estate	4,562.30	2,462.30	7,741.47	3.14	7,741.47	100
<b>TOTAL</b>	<b>7,227.78</b>	<b>3,172.10</b>	<b>9,756.74</b>	<b>3.08</b>	<b>9,756.74</b>	<b>100</b>
<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>						
1.7.3	FFB description from other source					
Name of sources/Organization (RSPO certified / non-certified)	Type of Organization	Number of Smallholders	Production Area (Ha)	Supplied to Mill		
				FFB (tonnes/year)		
East Estate (Non-Certified RSPO)	PT Sedjahtera Indo Agro Subsidiary of Sime Darby Plantation Berhad	-	1,956.00	18,826.90		
West Estate (Non-Certified RSPO)	PT Sedjahtera Indo Agro Subsidiary of Sime Darby Plantation Berhad		1,327.00	19,974.61		
Plasma East (Certified RSPO)	Associated Smallholders of PT Sedjahtera Indo Agro Subsidiary of Sime Darby Plantation Berhad		489.15	46,659.94		
Plasma West (Certified RSPO)	Associated Smallholders of PT Sedjahtera Indo Agro Subsidiary of Sime Darby Plantation Berhad		1,281.17	22,813.30		
KUD Sepadan Jaya (Non-Certified RSPO)	Associated Smallholders of PT Sedjahtera Indo Agro Subsidiary of Sime Darby Plantation Berhad		480.18	416.48		
<b>TOTAL</b>				<b>108,691.23</b>		
<i>*Production data source from 12 months before assessment (May 2022 to April 2023)</i>						
1.7.4	Product categories		FFB, CPO, PK			
1.8	Tonnage of Product					
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (Ton)	Realization from April 2022 – May 2023 (Ton)		
	FFB Processed		92,987	79,229.98		
	CPO Production		19,527	16,398.97		
	Palm Kernel (PK) Production		4,649	3,502.42		
1.8.2	Product selling					

Type of selling product		Actual selling product for last year (May 2022 – April 2023) (MT)					
CSPO sold as RSPO certified product		-					
CSPK sold as RSPO certified product		-					
CSPO sold under another scheme		-					
CSPK sold under another scheme		-					
CSPO sold as conventional		15,464.94					
CSPK sold as conventional		3,470.27					
<b>1.8.3 Estimate of Certified FFB Claim</b>							
Name of Estate(s)		Total Area (Ha)	Production Area (Ha)	FFB (tones/year)	Yield (tones/ha/year)		
East Estate		2,665.48	709.80	2,300.00	3.24		
West Estate		4,562.30	2,462.30	8,200.00	3.33		
<b>TOTAL</b>		<b>7,227.78</b>	<b>3,172.10</b>	<b>10,500.00</b>	<b>3.31</b>		
<i>*Projected FFB production for 12 months of certificate</i>							
<b>1.8.4 Estimate of Certified Palm Product Claim</b>							
Name of Mill	Capacity (tones/ hour)	FFB Processed (tones/year)	CPO		Palm Kernel		Supply Chain Module
			Out put (tones)	Extraction (%)	Out put (tones)	Extraction (%)	
Bukit Ajong	40	10,500.00	2,205	21.00	525.00	5.00	MB
<i>*Projected FFB production for 12 months of certificate</i>							
<b>1.9 Other Certifications</b>							
ISO 9001:2008		-					
ISO 14001: 2004		-					
OHSAS 18001:2007		-					
ISCC		ISCC ( <i>International Sustainability Carbon Certification</i> ) Certificate No. EU-ISCC-Cert-ID218-20210190 valid until 26 November 2022					
ISPO		MUTU-ISPO/059, issued by PT Mutuagung Lestari valid until 19 July 2026.					
<b>1.10 Time Bound Plan</b>							
<b>1.10.1 Time Bound Plan for Other Management Units</b>							
NO	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	
	Mill	Time bound					
<b>INDONESIA</b>							
1	Sekunyir PT. Indotruba Tengah	2010	Sekunyir	2010	Seruyan and Kotawaringin Barat District, Kalimantan Tengah Province	Certified	
			Seruyan	2010		Certified	
2	Manggala PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District, Riau Province	Certified	
			Manggala 2	2010		Certified	
			Manggala 3	2010		Certified	
3	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	Sanggau District, Kalimantan Barat	Certified	
			West (HGU on process)	2024		-	

			East	2010	Province	Certified
			East (HGU on process Sei Mawang)	2024		-
4	Teluk Siak PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District, Riau Province	Certified
			Pinang Sebatang	2011		Certified
			Pinang Sebatang 448 Ha	2024		-
			Aneka Persada	2011		Certified
5	Sungai Pinang PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District, Sumatera Selatan Province	Certified
			Bukit Pinang	2012		Certified
6	Pematang PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Kawan Batu	2011		Certified
			Hatan Tiring	2011		Certified
			Batang Garing	2011		Certified
7	Alur Dumai PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District, Riau Province	Certified
8	Teluk Bakau PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indragiri Hilir District, Riau Province	Certified
			Nusa Perkasa	2011		Certified
			Nusa Lestari	2011		Certified
9	Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indragiri Hilir District, Riau Province	Certified
			Rotan Semelur	2011		Certified
10	Angsana PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District, Kalimantan Selatan Province	Certified
			Gunung Sari	2011		Certified
			Pantai Bonati	2011		Certified
11	Mustika PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District, Kalimantan Selatan Province	Certified
12	Gunung Aru PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Gunung Kemasam	2011		Certified
			Laut Timur	2011		Certified
			Pantai Timur	2011		Certified
13	Bebunga PT. Langgeng Muaramakmur	2011	Bebunga	2011	Kotabaru District, Kalimantan Selatan Province	Certified
			Bakau	2011		Certified
			Sungai Cengal	2011		Certified
14	Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
			Sapiri	2011		Certified
			Barasdanum	2011		Certified
			Kuala Kuayan	2011		Certified

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

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

			Dusun Durian	2010		Certified
			Sepang	2010		Certified
10	West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified
11	Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
12	Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
			Jentar	2011		Certified
			Mentakab	2011		Certified
			Sg Mai	2011		Certified
			Chenor	2011		Certified
13	Jabor - SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
14	Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
			New Labu	2011		Certified
			Bradwall	2011		Certified
15	Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
			Sua Betong	2010		Certified
			Bukit Pelandok	2010		Certified
16	Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
			Sengkang	2014		Certified
			Siliau	2014		Certified
			PD Lukut	2014		Certified
			Sungai Baru	2014		Certified
			Tampin Linggi	2014		Certified
17	Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
			Kok Foh	2011		Certified
			Muar River	2011		Certified
			St. Helier	2011		Certified
			Pertang	2011		Certified
			Sg Gemas	2011		Certified
			Sg Sebalang	2011		Certified
			Sg Senarut	2011		Certified
18	Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
			Kemuning	2010		Certified
			Tangkah	2010		Certified
19	Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
			Diamond Jubilee	2011		Certified
			Serkam	2011		Certified

20	Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
			Lanadron	2014		Certified
			Pengkalan Bukit	2014		Certified
			Welch	2014		Certified
21	Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
			Cha'ah	2010		Certified
			Sg Simpang Kiri	2010		Certified
22	Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
			Kempas Klebang	2010		Certified
			Bukit Paloh	2010		Certified
			Yong Peng	2010		Certified
23	Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
			CEP Niyor	2011		Certified
			Lambak / Elaeis	2011		Certified
24	Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
			Sembrong	2011		Certified
			Tun Dr. Ismail	2011		Certified
			Ulu Remis	2011		Certified
			Bukit Badak	2011		Certified
			Cenas	2011		Certified
25	Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
			Kulai	2011		Certified
			Layang	2011		Certified
			Seri Pulai	2011		Certified
26	Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
			Tunku	2008		Certified
			Tigowis	2008		Certified
			Sentosa	2008		Certified
			Saguliud	2008		Certified
27	Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
			Sapong	2011		Certified
28	Binuang SOU 28	2009	Tingkeyu	2009	Kunak, Sabah	Certified
			Sungang	2009		Certified
			Jelata Bumi	2009		Certified
			Binuang	2009		Certified
29	Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
			Giram	2009		Certified

30	Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
			Merotai	2009		Certified
			Table	2009		Certified
			Tiger	2009		Certified
31	Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
			Kelida	2011		Certified
			Lavang	2011		Certified
			Lavang (SE)	2011		Certified
			Rasan	2011		Certified
			Chartquest	2011		Certified
			Dulang	2011		Certified
			Peroh	2011		Certified
			Pekaka	2011		Certified
			Ruai	2011		Certified
32	Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
			Samudera	2011		Certified
			Semarak	2011		Certified
			Bayu	2011		Certified
33	Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
			Damai	2011		Certified
			Derawan	2011		Certified
			Sahua	2011		Certified
<b>P &amp; G (New Britain Palm Oil)</b>						
1	Poliamba	2012	Kara	2012	Keviang, New Ireland Province, P&G	Certified
			West Coast	2012		Certified
			Nalik	2012		Certified
			Noatsi	2012		Certified
			Madak	2012		Certified
			North (Smallholders)	2012		Certified
			South (Smallholders)	2012		Certified
			West (Smallholders)	2012		Certified
2	Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified
			Ngalimbiu	2011		Certified
			Mbalisuna	2011		Certified
			West Zone (Smallholders)	2011		Certified
			Central Zone (Smallholders)	2011		Certified



			MBA East (Smallholders)	2011		Certified
			MBA West (Smallholders)	2011		Certified
3	Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified
			Sumberipa	2013		Certified
			Ambogo	2013		Certified
			Embi	2013		Certified
			Mamba	2013		Certified
			Sorovi (smallholders)	2013		Certified
			Igora (smallholders)	2013		Certified
			Saiho (smallholders)	2013		Certified
			Aeka (smallholders)	2013		Certified
			Ilimo (smallholders)	2013		Certified
4	Gusap	2010	Dumpu	2010	Madang, P&G	Certified
			Surinam	2010		Certified
			Jephcott	2010		Certified
			Gusap	2010		Certified
			Paddox	2010		Certified
			Ngaru	2010		Certified
			Madang VOP (smallholders)	2010		Certified
			Morobe VOP (smallholders)	2010		Certified
5	Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified
			Hagita	2013		Certified
			Waigani	2013		Certified
			Sagarai	2013		Certified
			Padipadi	2013		Certified
			Mariawatte	2013		Certified
			East Gurney	2013		Certified
			West Gurney	2013		Certified
			East Sagarai	2013		Certified
			West Sagarai	2013		Certified
6	Mosa Kumbango Kapiura Namumdo Waraston	2008	Bebere	2008	West New Britain	Certified
			Kumbango	2008		Certified
			Togulo	2008		Certified
			Dami	2008		Certified
			Waisisi	2008		Certified
			Kautu	2008		Certified
			Karaisu	2008		Certified

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

**Time Bound Plan Revision dated 13 July 2023**

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

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

[https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation.](https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operation)

**1.10.2 Progress of Associated Smallholders and Outgrowers for Certifiable Standard**

There is no scheme smallholder in PT SIA.

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA 2.1	<ol style="list-style-type: none"> <li>1. <b>Moh. Arif Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia in 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor course in 2014, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO and ISPO Lead auditor refresher course in 2021 etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, TBP, Partial certification, environment aspect, waste management, GHG and conservation.</li> <li>2. <b>Rahmat Abdiansyah (Auditor)</b>. Indonesian citizen, Bachelor of Forestry from the Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Has experience working in the Indonesian Palm Oil Farmers Organization and Indonesian private oil palm plantation companies. Participate in ISPO and RSPO Internal Auditor training in 2018, ISPO and P&amp;C Certification Systems IHT in 2019, IHT ISO 19011, ISPO Auditor Training in 2020, RSPO Lead Auditor Training in 2020, ISO 14001 and ISO 9001 Lead Auditor Training in 2020, and awareness of the RSPO Certification System and the RSPO P&amp;C in 2019 and 2020. During this assessment he verified Environmental, GHG, HCV, and smallholders' aspect.</li> <li>3. <b>Kiki Fadli (Auditor)</b>. Indonesian citizen, Bachelor of Agricultural Engineering, Agricultural Engineering Study Program. Has experience working in the Department of Sustainability in private and state-owned oil palm plantations. Has attended ISPO New Refreshment Lead Auditor training, RSPO Lead Auditor, General AK3, ISO 9001:2008, ISO 14001:2015, ISO 17021, ISO 17065, HCV, OHS management system and ISH Lead auditor training organized by RSPO. During this assessment he verified employment and transparency aspects.</li> <li>4. <b>Rizki Tanaya (Auditor)</b>. Indonesian Citizen, Bachelor of Agriculture, Padjadjaran University. Trainings that have been attended include ISPO Auditor Training and Refreshment of New ISPO Minister of Agriculture 38 of 2020, RSPO SCCS Auditor Training, RSPO PnC Lead Auditor Training 2018, ISO 9001: 2015 Lead Auditor Training, General K3 Expert Training, ISO 19011: 2018 Training, ISO 17021:2015, ISO 17065:2012, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, FSC CoC, BAP, Sedex/Smeta, and GlobalGAP. Has carried out several audit activities on environmental, conservation, Best Management Practice, and K3 aspects. This activity verifies the Aspects of Best Management Practice, Long Term Plan and OHS.</li> </ol>
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: 4 auditors          Number of days for <b>ASA 2.1</b> onsite audit: 5 days          Number of working days for <b>ASA 2.1</b> onsite audit: 20 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 Sedjahtera Indo Agro to the requirements of:</p> <ul style="list-style-type: none"> <li>• RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul> <p>Previously the scope of certifications consists of one mill and 4 estates (two own estate and two scheme smallholders' estate), however during this assessment two scheme smallholders was excluded from the scope of certifications, through letter No 002/AL-UM/V/2023 dated 25 May 2023 stated that the West Plasma Estatnit and the East Plasma Estate excluded from the Scope of Certification. During this assessment the scope of certification of consist of one (1) mill and two (2) oil palm estates. The audit program is included as Appendix II. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to</p>

areas with HCVs, declared conservation areas and local communities.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to directly observe the sufficiency of implementation on site.

Team of auditor started their trip from Jakarta to Pontianak and continued to site on 22 May 2023. Team auditor conducted Opening Meetings in the Meeting Room of Region office of PT Sedjahtera Indo Agro. Opening meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Stakeholder consultation involved internal and external stakeholders. Discussion was held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each discussion, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also considered in the assessment.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix III. Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.

Closing Meeting conducted in the region office of PT Sedjahtera Indo Agro on 27 May 2023. Closing meeting attended by Estate manager, Mill Manager, Senior Assistant, the Assistant, the Head of Administration, Sustainability staff and the other related personnel.

Commonly, the audit activities went smoothly with good cooperation from the unit management. The presentation of documents is presented quite well by involving related personnel and unit of certification accepted the recommendation from auditor team regarding certification process.

Audit activities are accompanied by the Accreditation Body, as a part of the accreditation (ASI) process for CB (PT MAL). During the audit process, ASI Assessors monitors audit activities.

Some opportunities for improvement of the results of assessment 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. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA 2.1 reports.

The assessment program please find Appendix 2.

<p><b>2.2.3</b></p>	<p><b>Locations of Assessment</b></p>
<p><b>ASA 2.1</b></p>	<p>The sampling location consider the issue arose from the review documents and stakeholder’s consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Bukit Ajong POM</b></p> <ul style="list-style-type: none"> <li>• <b>Grading Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Loading Ramp Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Sterilizer Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Clarification Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Press Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Engine Room.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> </ul>

- **Boiler Station.** Observations and interviews related work procedure, safety aspect, worker welfare etc.
- **Kernel Station.** Observations and interviews related work procedure, safety aspect, worker welfare etc.
- **WWTP.** Observation related to effluent handling and potential for environmental pollution.
- **Hydrant Test.** Simulation related to fire emergency respond.
- **Empty Bunch Area.** Observation related to waste management.
- **Housing complex.** Observation about domestic waste management, housing and other facilities condition, and emergency response.
- **Reservoir.** Observations related work procedure, safety aspect, worker welfare, environment aspect etc.
- **Land Application.** Observation related to effluent handling.
- **Water Treatment Plant.** Observations related work procedure, safety aspect, worker welfare, environment aspect etc.
- **Reservoir.** Observations related work procedure, safety aspect, worker welfare, environment aspect etc.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Oil storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **General storage.** Observation about storage condition, PPE stock, emergency response and OHS implementation.
- **Chemical material storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **Workshop.** Observation related to work procedure, OHS and workers welfare aspect.
- **Oil Tank Station.** Observation's safety aspect, environment aspect etc.
- **Security post.** Interview with 1 security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.
- **Mill Laboratory, Observations regarding mill Procedures, OHS and Worker Welfare.**
- **Weighbridge station.** Interview with 2 workers related to supply chain aspect and worker welfare.
- **CPO dispatch station.** Interview with 1 worker related to work procedure, worker welfare, OHS implementation in mill, and supply chain aspect.

#### East Estate

- **Harvesting activity, Block 913 Division V.** Observation and interview with workers related to Procedure implementation, OHS implementation, workers welfare, wages and complaint mechanism.
- **Harvesting activity, Block 906 Division VI.** Observation and interview with workers related to Procedure implementation, OHS implementation, workers welfare, wages and complaint mechanism.
- **FFB transport.** Observation and interview with workers related to Procedure implementation, OHS implementation, workers welfare, wages and complaint mechanism.
- **Workshop.** Observation related to work procedure, OHS and workers welfare aspect.
- **Housing complex.** Observation about domestic waste management, housing and other facilities condition, and emergency response.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition about the firefighting facilities and equipment.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Oil storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **Landfill.** Observation related to organic and an-organic waste handling.
- **PPE Storage.** Observation about facility and PPE stock.
- **Day care facility.** Observation about facility and interview with 2 workers about worker welfare, gender committee, and facility for worker.
- **Cleaning house for spraying and manuring worker.** Observation about condition of the house, waste management, and emergency response facility.

- **Boundaries Poles No 13 and 17.** Observations related Boundaries Poles.
- **Occupation area,** Observations related potential land disputes.
- **HCV area Tembawang Serosat.** Observation related to management of environmental aspect and boundaries to planted area.
- **HCV area Tembawang Papandean.** Observation related to management of environmental aspect and boundaries to planted area.
- **HCV area Tembawang Sekurai.** Observation related to management of environmental aspect and boundaries to planted area.

**West Estate**

- **Day care facility.** Observation about facility and interview with 2 workers about worker welfare, gender committee, and facility for worker.
- **Housing complex.** Observation about domestic waste management, housing and other facilities condition, and emergency response.
- **Clinic.** Observation about facility for worker, OHS implementation and work procedure.
- **Landfill.** Observation related to organic and an-organic waste handling.
- **PPE storage for spraying and manuring worker.** Observation about condition of the storage and emergency response facility.
- **PPE Storage.** Observation about facility and PPE stock.
- **Agrochemical storage.** Observation about storage condition, agrochemical stock, OHS implementation and work procedure.
- **Hazardous waste storage.** Observation about storage condition, hazardous waste stock, emergency response facility, and waste management.
- **Firefighting storage.** Observation about condition about the firefighting facilities and equipment.
- **Firefighting simulation.** Observation about condition about the firefighting facilities and equipment and preparedness.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Oil storage.** Observation about storage condition, MSDS, OHS implementation, emergency facility, and material stock.
- **Workshop.** Observation related to work procedure, OHS and workers welfare aspect.
- **Cleaning house for spraying and manuring worker.** Observation about condition of the house, waste management, and emergency response facility.
- **Boundaries BPN 25, 26 and 28,** Field observations to see the suitability of the coordinates, position and condition of the stake.
- **HCV area Block A703 (Sengoret River Riparian).** Observation related to management of environmental aspect.
- **Spray, Block A703.** Observations and interviews regarding work procedures, safety aspects, worker welfare etc.
- **EFB Application, Block A705.** Observations and interviews regarding work procedures, safety aspects, worker welfare etc.
- **Harvest, Block A804.** Observations and interviews regarding work procedures, safety aspects, worker welfare etc.
- **Road Maintenance, Block A702.** Observations and interviews regarding work procedures, safety aspects, worker welfare etc.

<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>	Summary of stakeholder consultation process for PT Sedjahtera Indo Agro was held by: <ul style="list-style-type: none"> <li>• Public announcement on the Mutuagung website on May 8 2023</li> <li>• Public consultation with NGOs (by email) such as WALHI, AMAN, WWF and Sawit Watch on 15 May 2023.</li> <li>• Public consultation meeting with government institution on 23 May 2023.</li> <li>• Public consultation meeting with internal stakeholders and contractor on 23 May 2023.</li> <li>• Public consultation meeting with communities on 24 May 2022</li> </ul>

	Numbers of input from stakeholders were clarified by PT Sedjahtera Indo Agro.
<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) months to twelve (12) months after date of annual license.

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Bukit Ajong Mill – PT Sedjahtera Indo Agro, subsidiary of Sime Darby Plantation Berhad operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were eight (8) Nonconformities were assigned against Major Compliance Indicators; six (6) nonconformities were assigned against Minor Compliance Indicators; and five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised, and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidence e.g. (document record/photographic/etc). Those corrective actions taken that consist of eight (8) Major non-conformities and six (6) Minor non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Bukit Ajong Mill – PT Sedjahtera Indo Agro, subsidiary of Sime Darby Plantation Berhad complied with the requirements of *Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governor on 12th November 2020.*

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1 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>		
<p><b>1.1.1</b> The company already has a list of information/documents that can be accessed and/or shared with stakeholders such as government agencies and the public presented in the SOP document for Information Answers Number AI 0900 Revision 00 which was ratified by the Estate Manager and FM BAF on 30 December 2013. The document contains 17 types of documents that can be accessed by stakeholders, namely as follows:</p> <ul style="list-style-type: none"> <li>• Area of Land Clearing, Immature Plants, Mature Plants, Infrastructure</li> <li>• Proof of Social Security Payment</li> <li>• Proof of Employee Medical Payments</li> <li>• Employee Public Facilities</li> <li>• Pest and Disease Attack Data</li> <li>• Data on Light Vehicles and Heavy Equipment</li> <li>• Data of Supporting Machines</li> <li>• CSR data that has been carried out</li> <li>• Bridge Data</li> <li>• Road Length Data</li> <li>• Work Building Data</li> <li>• General Building Data</li> <li>• School Building Data</li> <li>• Type of Fertilizer used</li> <li>• Type of Agrochemical used</li> </ul>		



- Permanent employee data
- School Student Data.

### 1.1.2

The company has reported several mandatory reports on environmental aspects, such as:

- Proof of reporting the RKL/RPL report for semester 2 of 2022 was reported to the Sanggau Regency Environmental Service on April 11, 2023 through the Environmental Electronic Reporting Information System (SIMPEL) with TTE ID Number: 1681201032-1137.
- Evidence of reporting of Hazardous and Toxic Waste Reports for Quarter 1 of 2023 reported to the Sanggau Regency Environmental Service on May 19, 2023 through the Environmental Electronic Reporting Information System (SIMPEL) with TTE ID Number: 1684509983-1267).
- Evidence of reporting the liquid waste report (POME) for the 1st Quarter of 2023 was reported on April 11, 2023, reported to the Sanggau Regency Environmental Service.
- Evidence of reporting fire monitoring in semester 2 of 2022 was reported to the Sanggau District Plantation and Livestock Service on January 18, 2023 for the West Estate and January 16 for the East Estate.

The company shows a list of PT SIA employees for the April 2023 period with a total of 780 people as well as the 2022 period mandatory labor report which explains that the next report will be made on April 18, 2022.

However, companies can only submit progress reports on May 26, 2023, online and have not been able to show mandatory labor reporting for the 2023 period. **NCR No. 2023.01 with the Minor category.**

### 1.1.3

No change in procedure. The company has a procedure for providing information to stakeholders in the SOP for Answering Information Number AI 0900 Revision 00 which was approved by the Estate Manager and FM BAF on 30 December 2013. The document describes the mechanism for requests for information submitted by stakeholders and the responses given by the company. The document also explains those responsible for receiving information, namely the operational unit management, head department and related departments at Minamas Plantation. The maximum time limit for responding to providing information is 1 week.

Companies can also show responses to requests for information from external parties, for example letters sent to companies regarding requests for Eid gifts on March 31, 2023 and have been responded to by the company on March 31, 2023.

Based on this explanation, the company can respond to requests for information from stakeholders in accordance with the procedures owned by the company.

### 1.1.4

The company has a procedure for providing information to stakeholders in the SOP for Answering Information Number AI 0900 Revision 00 which was approved by the Estate Manager and FM BAF on 30 December 2013. The document describes the mechanism for requests for information submitted by stakeholders and the responses given by the company. The document also explains those responsible for receiving information, namely the operational unit management, head department and related departments at Minamas Plantation. The maximum time limit for responding to providing information is 1 week.

Based on the results of interviews with representatives of the labor and contractor services, information was obtained that stakeholders already knew how to communicate with the company. Apart from that, for the past year, there have been no complaints regarding communication with the company

### 1.1.5

The company has shown an updated list of stakeholders as of April 2023 for PT SIA consisting of legal entities, indigenous peoples, local communities, workers' organizations, smallholders and contractors. The document contains a list of names, types of relevant stakeholders and stakeholder contacts. The following is a summary of the contents of the document:

- Legal Entities: 21, consisting of government agencies (Provincial/District government agencies, Police, Danramil, Camat, Jamsostek, BPJS Kesehatan, and Fire Fighting Agency).
- Local Community: 24, consisting of community leaders and village/hamlet government.

- Worker Organizations: 9, consisting of Trade Unions, Gender Committee, OHS Committee Coordinator, and Emergency Response Committee.
- Smallholder: 2, consisting of KUD (Himado and Sempadan Jaya).
- Contractors: 4, consisting of service contractors, transporters and collectors of hazardous waste.

Based on the stakeholder list document, it is known that these contacts can be contacted through interviews with representatives of internal and external stakeholders, for example an interview with the Sanggau Regency Manpower Office. Interview results can be seen in section 3.5 Summary of Issues Arising from Public and Auditor Verification.

<b>1.1.2</b>	<b>Status: Non-conformity No. 2023.01 with the Minor category</b>
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**1.2**

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

**1.2.1**

The company has a Code of Business Ethics with No. 440/HRM-COC/07 which was ratified on 27 April 2007 which explains that the certification unit and stakeholders enforce ethics including monitoring, reporting, and sanctions for violations of the code of ethics. Commitment to interact with stakeholders is the main concern of the certification unit and is part of the certification unit's business ethics, as well as the creation of added value. In addition, the policy also explains the work ethic which regulates basic individual attitudes and individual behavior inside and outside the certification unit, including respecting the personal characteristics of fellow employees, such as religion, status, ethnicity or race, and family, not committing acts against law such as gambling, theft or embezzlement of the unit of asset certification. This policy has been disseminated to each unit, for example on 22 August 2022 which was attended by 28 people.

Based on interviews with workers, contractors and village community representatives, it is known that the policy has been understood and implemented in all business operations and transactions.

**1.2.2**

The company has a mechanism to monitor compliance and implement ethical business policies and practices through compliance checks and evaluations, namely by conducting periodic internal audits to ensure operational units comply with policies and SOPs, for example conducted on 10-14 April 2023 with the result that there are 5 non-conformities which have been fully corrected on April 30, 2023. The scope of the internal audit is the compliance of each unit in the plantations and mills with all aspects contained in the RSPO P&C such as aspects of worker welfare, environment, BMP, and other aspects.

In addition, the company also ensures that its contractors and suppliers know and understand the Code of Business Ethics, for example by conducting socialization on August 22, 2022, which was attended by 28 people and evaluating compliance with regulations such as K3 regulations, labor regulations, etc. This is in accordance with the SOP concerning Sustainable Management Guidelines with No. 724/TQEM-SPMS/09 which describes the evaluation of sustainable plantation management which is carried out at least once a year.

Based on interviews with workers at Mill and Estate as well as contractors, it is known that personnel can explain the policies related to the company's Code of Business Ethics. In addition, it is also conveyed that the cost of recruiting workers will be borne entirely by the company.

	<b>Status: Comply</b>
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**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**

**2.1**

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

**2.1.1**

The unit of certifications presented compliance regarding legal aspects as follows:

**Employment**

The company sets a minimum wage of IDR 2,703,536 which is in accordance with the Decree of the Governor of Kalimantan Barat No. 1379/NAKERTRAN/2022 dated 5 December 2022 regarding the minimum wage for Sanggau Regency in 2022.

**Environment Aspect**

- Permit for Temporary Storage of Hazardous and Toxic Waste for PT SIA based on DPMPSTP Sanggau District Decree Number

503/005/LB3/DPMPSTSP/2020 dated 29 May 2020 and there is no validity period for the permit. The permit refers to the Recommendation Letter from the Sanggau Regency Environmental Service number 658.31/200/DLH-A dated May 20, 2020, which is located at the coordinates 00° 16' 12" N and 110° 29' 00,8" E.

- Permit for the Utilization of Palm Oil Industrial Wastewater on Land in Plantations based on the decision of the Head of DPMPSTSP, Sanggau Regency Number 503/001/IPALT/DPMPSTSP/2021 which was ratified on 17 May 2021 and valid until 17 May 2026 for a land area of 550 Ha in blocks 14, 15, 16, and 17.
- The results of an environmental study in the form of the 1997 Environmental Impact Analysis (ANDAL) document of PT Sime Indo Agri for the scope of West estate, East estate, Associated smallholder West and Associated smallholder East. The study was conducted for plans to build 2 PKS Units with a capacity of 60 tons of FFB/hour and 30 tons/FFB/hour to be built on the banks of the Senggoret River, as well as an oil palm plantation of 14,000 hectares (in accordance with the Location Permit Number 400-29/IL-41-1996 dated 24 October 1996) located in Parindu District, Sanggau Regency.
- Regarding OFI In the previous assessment, the auditor team had also verified the OFI. The audit team's verification results are known as follows:
  1. Directive Letter for Changes to Environmental Approval dated 18 May 2023 with Number S.777/PDLVK/P2T/PLA.4/4/2023 from the Ministry of Environment and Forestry. The letter explains that changes to PT SIA's environmental approval are required to prepare an Addendum to ANDAL and RKL-RPL Type B. Since PT SIA is a Foreign Investment Company (PMA), business licensing authority is carried out by the Central Government (Central Investment).
  2. There is a letter from PT Alam Indo Lestari with Number 062/DIR-AIL/V/2023 dated 24 May 2023 which contains a progress report on the work on preparing technical study documents for fulfilling waste water quality standards as well as studies on the ANDAL, RKL & RPL addendum for PT Sedjahtera Indo Agro. The letter explains that the technical study document for compliance with waste water quality standards has been completed and submitted to the Ministry of Environment and Forestry on February 8, 2023 with registration number R202302080012. Regarding the Andal Addendum, RKL-RPL, the Draft Document has begun to be prepared and most of it has been completed.
  3. As a result of interviews with Company representatives, it is known that the progress of the ANDAL, RKL-RPL Addendum is currently being finalized by the Drafting Consultant and will be reported to the Ministry of Environment and Forestry.

Based on this verification, in general, the OFI in the previous assessment has been followed up by the Company, only the Andal Addendum, RKL-RPL process is still being prepared and will be reported to the Ministry of Environment and Forestry.

### **Legal Aspect**

The results of document verification revealed that PT Sedjahtera Indo Agro has owned HGU since 1997, and initially the company's operational area was in the Area for Other Uses as explained in the Letter of the Governor of the Level I Region No. 525/3636/II-Bappeda dated 7 September 1995 regarding Land Information for Oil Palm Plantations. The letter explained that according to the Land Use Map and the Consensus Forest Use Map and the Spatial Plan for the Province of West Kalimantan, an application for a location permit in Parindu District, Sanggau Regency can be approved for an area of ± 14,000 Ha located in the status of an Area for Other Uses.

However, based on the West Kalimantan Provincial Forest and Water Conservation Area Map (Attachment to the Decree of the Minister of Forestry No. S.K733/Menhut-II/2014 dated 02 September 2014) some of PT SIA's area is in a forest area and overlaps with the working area of PT HPHTI PT Indiga Finance.

In relation to this situation, on September 30 2016 the Governor of West Kalimantan submitted this to the Minister of Environment and Forestry of the Republic of Indonesia through letter No. 522/3414/Dishut/2016 concerning Proposals for solving the problem of overlapping forest areas with residential locations, community business land and permit areas Oil Palm Plantation Business a/n PT Sime Indo Agro in Sanggau Regency, one of the points of which is proposing to the Minister of Environment and Forestry that the location of settlements, community business land and the area of oil palm plantations of PT. Sime Indo Agro, which is located in the permanent production forest (HP) of the S. Sekayam - S. Mengkiang forest group, Sanggau Regency, is considered to be removed from the Forest Area and HPHTI working area of PT. Finnantara Intiga through Re-Delimitation of Permanent Production Forest Areas (HP) of S.Sekayam - S.Mengkiang and Boundaries of HPHTI Working Areas of PT Finnantara Intiga.

In this regard, companies are encouraged to continue to monitor the ongoing process of releasing the area (OFI).

**2.1.2**

The unit of certification has in place a documented system to ensure legal compliance as stated in the Legal Requirements Procedure Number 011/PH-SIA/III/11 which has been in effect since 10 February 2011. The procedure explains that regulations can be obtained and updated by contacting government and non-government agencies, government, be it international, national, or local to ensure that the latest regulations are enforced. In addition, the unit of certification also actively visits related websites to obtain the latest information regarding applicable laws and regulations. The company have shown list of updated regulation related to the field of worker welfare aspect are:

- Government regulations No. 35 of 2021 concerning Specific Time Work Agreements, outsourcing, working hours, rest periods, and layoffs.
- Government regulations No 36 of 2021 concerning Wages.

A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted on 25 January 2023. To ensure compliance with the certification unit and third-party laws in the certification unit, routine monitoring is carried out once a year by means of compliance audit / internal audit. The last internal audit for RSPO and SCCS was conducted on April 13 – 17, 2023.

In addition to going through a compliance audit / internal audit, the company conducts monitoring and evaluation of third parties (contractors) through contractor evaluation activities which are conducted at least once a year. The types of evaluations carried out include contract compliance, contractor quality and performance, accuracy of work completion, and etc., its described-on indicator.

**2.1.3**

The results of document verification show that PT Sedjahtera Indo Agro has two HGU certificates with the following details:

- HGU Certificate No. 00160 (previously HGU certificate No. 1) there are 23 plots of land with a total area of 4,562.34 Ha.
- HGU Certificate No. 00162 (previously HGU certificate No. 5) there are 15 plots of land with a total area of 2597.51 Ha.

In the HGU certificate it is explained that the installation of stakes refers to Government Regulation No. 24 of 1997 concerning Land Registration in article 17 paragraph 1 which explains that in order to obtain the physical data required for land registration, the plots of land to be mapped are measured, after their location has been determined. , the boundaries and according to the need to place boundary signs in each corner of the land parcel in question. Regarding the number of HGU stakes, based on monitoring data on HGU No 00160 there are 42 HGU stakes and on HGU No 00162 there are 19 HGU stakes and monitoring activities for HGU stakes have been carried out periodically by the company.

Regarding the maintenance of HGU stakes, the company already has a BPN Stakes Maintenance Procedure which was passed in December 2010 revision 00. The SOP explains that during periodic cleaning, officers are required to fill out monitoring and documentation. If the condition of the stakes has moved or is lost or there is a legal boundary dispute, then the inspection and data collection will be carried out by an expert appointed from the research department and bring in a party from BPN.

Based on the results of field visits and interviews with management and staff

- Not all HGU stakes have been installed in every corner of the plot of land, this is because some areas are still controlled by the community.
- For areas adjacent to the plasma area, paint is marked on the core oil palm trees with blue paint and the plasma oil palm trees with red paint.
- There were several staff who did not know the certification area (HGU) and non-certification where during the field visit the auditor team was directed to a division that is outside the scope of certification.

Based on that's explanations the company has not been able to show evidence that the legal area is marked with clear boundaries and maintained. **NCR No 2023.02 with minor category**

2.1.3

Status: NCR No 2023.02 with minor category

**2.2**

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

**2.2.1**

The company has a list of contractors for the 2023 period, namely PT Bangun Melawi Persada (CPO transporter), CV Agon Jaya (PK transporter) and PT Primanru Jaya (hazardous and toxic waste Transporter) which provide the name of the agency, contact name, field of cooperation, address and contact number.

During the audit process, the auditor verifies third party contact numbers by calling the contacts listed. From this communication, it is known that the contact number provided can be contacted.

**2.2.2 and 2.2.3**

The company showed a list of contractors, namely PT Bangun Melawi Persada (CPO transporter), CV Agon Jaya (PK transporter) and PT Primanru Jaya hazardous and toxic waste Transporter). The company also shows an agreement with a contractor that contains a clause regarding legal compliance obligations, for example work agreement letter No. 005/Transportation Services/SIA-BAF/VII/2022 dated 1 June 2022. The agreements have explained:

- Guarantee that there is no child labor, forced labor or the consequences of human trafficking and protection.
- Comply with and comply with all legal requirements including specific rules regarding health, safety, environment, etc.

The company has demonstrated documentation of legal compliance by the contractor, such as:

- PT BMP workers' wage data for the April 2023 period is already above the district minimum wage, for example the initial H with a wage of Rp. 2,868,894.
- Proof of payment for Social Security Agency on Employment and Health for the April 2023 period which was paid on April 28, 2023.
- Minutes of PPE handover on 11 January 2023 with the types of PPE, namely shoes and helmets.

**Status: Comply**

**2.3**

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

**2.3.1**

Based on document verification, it is known that the company received FFB apart from the Own plantations, but also directly received FFB from plasma plantations. The FFB suppliers Bukit Ajong POM are as follows:

- East Estate (RSPO Certified Area)
- West Estate (RSPO Certified Area)
- Plasma East Estate
- Plasma West Estate
- KUD Sepadan Saya.

For the requirements for indicators 2.3.1 regarding the geolocation of FFB origins; Proof of ownership status, right/claim of the land by grower/smallholder, the unit of certifications can presented several evidences as described below:

- Details of the list of farmers of KUD Sepadan Jaya with a total of 422 farmers with a land area of 480.18 Ha with details as follows :

Block	(Ha)
08S801	86.43
07N706	38.39
08N807	18.14
07N708	101.77
07N709	76.35
07N710	111.46
08N811	47.64
<b>Total</b>	<b>480.18</b>

- Informations of geolocations of the KUD Sepadan jaya as follows:

Block	(Ha)	X	Y
08S801	87.00	110,542201	0,151996

07N706	37.98	110,564767	0,196206
08N807	20.40	110,56699	0,201217
07N708	101.89	110,564042	0,182436
07N709	74.55	110,561186	0,188868
07N710	110.70	110,556896	0,180016
Total	432.52	-	-

- Land ownership statement for KUD Sepadan Jaya dated June 29, 2022, signed by the Sungai Mawang Customary Chief and the local Village Head. In the letter it was explained that land ownership was recognized by custom and was owned for generations and belonged to the community as many as 422 people.

### 2.3.2

As mentioned in Indicator 2.3.1, it was known Bukit Ajong Factory do not accepted FFB from out growers, agent, or middlemen. All FFB process originally from its own estate under the scope of certifications and other estates under the subsidiary of Sime Darby Plantation Bhd.

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

Based on verification of basic info documents and interviews with management representatives, it is known that the company has a Long-Term Plan document in the Total Mill Cost for Bukit Ajong Mill. The document contains a long-term plan for the period 2023 - 2027, including predictions of internal and external FFB production, OER, KER, CPO and PK Production, costs, and revenues. Which is presented in the following table:

DESCRIPTION	UNIT	YEAR				
		2023	2024	2025	2026	2027
FFB Produced Group Estate	Ton	70,420.68	76,795.37	82,816.43	90,651.17	96,214.10
FFB Outsider	Ton	68,573.19	61,136.26	58,287.43	56,591.60	58,206.64
CPO Production	Ton	30,231.17	30,344.97	31,042.85	32,761.52	34,358.68
OER	%	21.75	22.00	22.00	22.25	22.25
PK Production	Ton	6,949.69	6,896.58	7,055.19	7,362.14	7,721.04
KER	%	5.00	5.00	5.00	5.00	5.00

#### 3.1.2

The certification unit shows the replanting program document in the long-term plan document for the estates with the following explanation:

Estate	Replanting Program (Total Ha)								
	2016	2017	2018	2019	2020	2021	2022	2023	2024
West	566	359	325	242	262	311	279	330	302
East	315.84	437,28	505.56	179.28	183.52	195.44	202.35	243.59	142.33

All the time of the audit, there were no replanting activities in the certification unit area, based on Interviews with the management unit revealed that replanting activities are currently focused on associated smallholder areas, and the main estate has been stopped in the year 2019 both for West Estate and East Estate due to the company planned to sold. Based on interviews with field supervisors revealed that all replanting activities in estates used the mechanical method without burning.

**3.1.3**

**Management Review**

The company shows the minutes of the Management Review, among others:

- Structured Crop Recovery Assessment (SCRA) for Estates dated February 13 – 16, 2023 who discuss about SCRA Executive Summary, Compliance to Critical Control Parameters, Overall SCRA Result by Operating Unit and Issues of Concern.
- Structured Oil Recovery Assessment (SORA) for Mill dated February 13 – 15, 2023 who discuss about SORA Executive Summary, Compliance to Critical Control Parameters, Overall SORA Result by Operating Unit and Issues of Concern.

**Internal Audit**

The company has also conducted RSPO Internal Audit conducted on April 13 – 17, 2023 with 8 non-conformities resolved on May 8, 2023.

**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 has taken actions for continuous improvement in environmental aspects, for example:

- Waste management and monitoring through WWTP management, effluent quality testing and reporting to the relevant agencies.
- Air quality management and monitoring through road maintenance, air quality testing and reporting to relevant agencies.
- Management and monitoring of groundwater through testing the quality of groundwater and reporting it to the relevant agencies.
- Hazardous waste management through hazardous and toxic waste storage and hazardous and toxic waste management and monitoring.
- Greenhouse Gas (GHG) Management. Implementing a zero burning policy, utilizing EFB, shells and fiber as renewable energy, regular engine maintenance, and regular emission quality tests.

**3.2.2**

The company has shown the auditor regarding the RSPO metric template Version 2.1 that has been filled in according to the facts and data in the company's record documents, such as the number of workers, the area of production to the record of work accidents. Based on team auditor's review on, the information has been matched with others document, such as supply chain record, demographic workers, work accident, etc.

**Status: Comply**

**3.3**

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

**3.3.1**

The company shows the procedures related to plant maintenance as contained in the Agronomy Reference Manual No. 110/EST-ARM/13 dated September 1, 2013, which was approved by the Head Plantation Upstream Indonesia. The document is divided into 18 sections, namely:

1. Plant material
2. Breeding technique
3. Replanting
4. Land preparation
5. Plant density
6. Age of harvesting
7. Field maintenance
8. Fertilization
9. Canopy management
10. Water management in coastal areas and peatlands
11. Ablation
12. Maturity standard

13. Spinning harvest
14. Loose fruit
15. Plant protection
16. Weed control
17. Manufacture of legume cover crops
18. Rainfall recording.

The company shows the SOP for the processing process as well as the process of monitoring and measuring the quality of Crude Palm Oil (CPO), which are listed in the Palm Oil Processing System Document No. 110/POD-FAC/07 which includes, among others:

- Chapter I on Fundamentals of Palm Oil Processing
- Chapter II on Stockpiling of Oil and Palm Kernel
- Chapter III on Factory Wastewater Control
- Chapter IV on Water Treatment
- Chapter V on Laboratory Analysis.

Based on the document, the company already has an SOP that covers all activities from the estate and mill and can be accessed by workers and all procedure above were available in Bahasa.

**3.3.2 and 3.3.3**

The certification unit has a system that ensures consistency in the implementation of its SOPs, such as a check or inspection of the quality of work (operational audit of estates and mill), RSPO internal audits that check whether procedures in the certification unit have been implemented by the certification unit and financial audits carried out by external parties to ensure the usage or fees used are in accordance with the rules set by the certification unit. Daily internal supervision is carried out by the supervisory level starting from the Foreman, Division Assistant, Head of Assistant, to the Estate Manager. Operational audits are conducted once a month. Operational audits evaluate the operational and administrative performance of estates and mill. Meanwhile, the RSPO internal audit is conducted once a year to evaluate the implementation of sustainability procedures in estates and mill. Public accountant financial audit is conducted once a year. Furthermore, management representatives regularly make inspectorate visits to control the implementation of procedures. The company has also conducted RSPO Internal Audit conducted on April 13 – 17, 2023 with 8 non-conformities resolved on May 8, 2023.

**Status: Comply**

**3.4**

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

**3.4.1**

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

**Environmental Impact Assessment (EIA)**

The Bukit Ajong POM certification unit is under the company PT Sedjahtera Indo Agro (formerly named PT Sime Indo Agro), the company has documents on the results of an Environmental Impact Assessment (EIA) that cover all areas included in the scope of certification and can be proven based on the following documents:

- The results of an environmental study in the form of the 1997 Environmental Impact Analysis (ANDAL) document of PT Sime Indo Agri for the scope of West estate, East estate, Associated smallholder West and Associated smallholder East. The study was conducted for plans to build 2 Mill Units with a capacity of 60 tons of FFB/hour and 30 tons/FFB/hour to be built on the banks of the Senggoret River, as well as an oil palm plantation of 14,000 hectares (in accordance with the Location Permit Number 400-29/IL-41-1996 dated 24 October 1996) located in Parindu District, Sanggau Regency.
- The ANDAL document has received approval from the Head of the Agribusiness Agency of the Ministry of Agriculture Number 016/ANDAL/RKL-RPL/BA/VIII/1997 dated August 19, 1997, regarding PT Sime Indo Agro's ANDAL and RKL-RPL approval.

In the document above, there is information related to environmental aspects and parameters that must be monitored and managed along with information on targets and implementation times contained in the UKL-UPL matrix. The document also covers all aspects



of plantation and factory activities and changes during operational activities. The sampling methodology used is also participatory involving groups of external stakeholders for the purpose of identifying impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and management recommended with reference to relevant laws and regulations.

### **Social Impact Assessment (SIA)**

The certification unit has conducted a Social Impact Assessment (SIA) which was carried out in 2009 by Aksenta. The Social Impact Analysis was carried out on 14 – 18 August 2009 within the PT SIA Location Permit and HGU area with an area of  $\pm 14,000$  Ha. The scope of the study includes the expansion plan area, as well as villages and hamlets directly adjacent to PT SIA in two sub-districts, including the villages of Suka Gerundi, Palem Jaya, Hibun, Rahayu, Maringin Jaya, and Dosan (Parindu District), and Sei Mawang (District of Parindu) Kapuas). This study describes the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the communities in the villages around the company, environmental management efforts in the social, economic and cultural fields by PT SIA and public perceptions of its existence and benefits. A social impact assessment is included as part of a complement to all environmental impact assessments. The assessment involved all affected parties, both internal and external stakeholders, including employees, trade unions, heads of villages around the plantation, local NGOs and smallholders representing relevant stakeholders. Participatory evidence with affected parties is shown in the form of attendance at the FGD meetings and photographs during interviews. Apart from that, the SIA study has also been disseminated to villagers and stakeholders in the affected areas with evidence of an invitation to the Socialization conducted on September 6, 2009. The report also contains a Social Management Plan matrix and a Social Monitoring Plan which contain recommendations for social impact management that are identified.

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

### **High Conservation Value Assessment (HCVA)**

The unit of certification has also conducted studies related to areas with high conservation value as evidenced based on the 2010 HCV Study Results document. The company has conducted an HCV assessment by Aksenta using the 2003 toolkit. The HCV assessment was carried out for the entire scope of PT SIA (West Estate, East Estate and Sei Mawang Estate). The total scope of the HCV study area is  $\pm 14,000$  Ha (referring to the Location Permit) with a total identified HCV area of 2,683.23 Ha. HCV assessment through stakeholder consultation conducted in August 2009. Stakeholders present included West Estate field staff and Associated smallholders; East Estate field staff and Associated smallholders, cooperative administrators, Kampuh Villagers, Kopar Villagers, Dosan Villagers, Engkalit residents and Sei Mawang Estate field staff. The following is the area data from the HCV study.

The study describes the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Participatory evidence with affected parties is shown in the form of attendance at the FGD meetings and photographs during interviews. The report also contains a matrix for the Management and Monitoring Plan for High Conservation Value Areas which contains recommendations for the management of all identified HCV areas.

Based on the results of a 2010 HCV identification document review, information was obtained that the impact assessment on HCV, biodiversity and RTE species that was carried out also included areas outside the concession boundaries. The HCV area consists of protected areas for flora and fauna and riparian areas as well as protection of cultural values from the surrounding communities. Based on the document verification, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended by referring to the relevant environmental management guidelines.

### 3.4.2

The company already has an environmental and social management and monitoring plan, namely:

#### **Environmental Aspect**

The environmental management and monitoring plan is in accordance with the documents, namely:

- Decreasing the water quality of the Senggoret river
- Disruption of protected vegetation/fauna
- Socioeconomic problems
- Social unrest
- Increasing people's income.

Based on the results of document verification, it is known that the environmental management and monitoring plan owned by the company has covered all of the company's activities.

#### **Social Aspect**

Based on document verification and interviews with stakeholders, the following evidence was obtained:

The company has conducted a Social Impact Assessment (SIA) which was carried out in 2009 by Aksenta. The Social Impact Analysis was carried out on 14 – 18 August 2009 within the PT SIA Location Permit and HGU area with an area of ±14,000 Ha. The scope of the study includes the expansion plan area, as well as villages and hamlets directly adjacent to PT SIA in two sub-districts, including the villages of Suka Gerundi, Palembang, Hibun, Rahayu, Maringin Jaya, and Dosan (Parindu District), and Sei Mawang (Kapuas District).

With regard to social management, the company has developed a social impact management plan listed in PT SIA's social impact mitigation plan for the 2022-2023 period. The results of document verification revealed that the plan had been carried out in a participatory manner by involving the village community from Hibun Village and Dosan Village, KUD Himado Plasma Farmers, and employees. However, the preparation of the social impact management plan has not involved other stakeholders such as the villages of Suka Gerundi, Palembang, Rahayu, Maringin Jaya, KUD Sepadan Jaya, NGO representatives, the Dayak Customary Council, trade unions, and the Gender Committee. In addition, the certification unit has not been able to demonstrate the mechanism for identifying affected stakeholders in developing a social impact management plan.

Based on the results of stakeholder consultations, several social issues developed from stakeholders, such as the problem of plasma smallholders' land being in forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB for plasma farmers, sales of FFB through ramps (collecting points), opportunities cooperation, development of plasma and self-help smallholders, complaints from residents, recruitment of workers, setting the price of FFB, etc. Some of these issues have not been covered in PT SIA's social impact management plan.

Based on this evidence, the Unit of Certification has not been able to show evidence that a social impact management plan has been developed with the participation of all affected stakeholders and there are still issues that have not been covered in the social monitoring and management plan. **NCR 2023.03 with Minor Category.**

### 3.4.3

The company has implemented an environmental and social management and monitoring plan, namely:

#### **Environmental Aspect**

Companies can show documents on the implementation of environmental management and monitoring plans for semesters 1 and 2 of 2022. Based on the results of the verification of these documents, it is known that the implementation of environmental management and monitoring is in accordance with the directions from the environmental documents they have. The reporting format refers to KepmenLH No. 45 of 2005, in which an evaluation of trends, critical levels and compliance with all parameters that are managed and monitored has been carried out. The report on the implementation of environmental management and monitoring for semester 2 of 2022 was submitted to the Sanggau Regency Environmental Service on April 11, 2023. In general, the results of environmental monitoring owned by the company are in accordance with environmental parameters such as testing river water quality, testing emissions, etc.

#### **Social Aspect**

Based on document verification and results of interviews with stakeholders, the following evidence was obtained:

The company already has a participatory social impact management plan for the 2022-2023 period. The social impact management plan includes:

- Employment Aspect → employment opportunities for local people.
- Aspect of Public Service → Opportunity to work with the Village community.
- Aspects of local community economic development → Opportunity for local people to become contractors.
- Aspects of FPIC and Conflict Resolution → Vulnerability of social relations related to land issues.
- Environmental Aspect → negative perception of environmental issues.
- Legality aspect → clear guarantee of legality.

The company has implemented and reviewed the social impact management plan, for example:

1. Labor recruitment has involved the surrounding community.
2. School facilities for the surrounding village community and employees as well as a shuttle bus for school children.
3. Cooperate with local contractors for the transportation of FFB, EFB, and other works.
4. There is no land conflict.
5. Perform laboratory analysis tests.
6. Providing assistance in the process of issuing SHM for plasma farmers.

From the results of the social impact management carried out, the company has not been able to show the results of its monitoring to evaluate the effectiveness of the management activities carried out. Furthermore, based on the results of stakeholder consultations, several social issues have developed from stakeholders, such as the problem of plasma smallholders' land being in forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB for plasma farmers, selling FFB through ramps (collecting points), cooperation opportunities, training of Plasma farmers, etc. Some of these issues have also not been covered in PT SIA's social impact management plan and these issues have been around for a long time.

Based on this evidence, the Company has not been able to show evidence of social impact management that has been carried out and has been monitored to be able to prove that the management carried out can mitigate developing social issues. **NCR 2023.04 with Major Category.**

3.4.2	<b>Status: NCR 2023.03 with Minor Category.</b>	
3.4.3	<b>Status: NCR 2023.04 with Major Category</b>	

**3.5**

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

**3.5.1 and 3.5.2**

The company has a Human Resources System as follows:

- Recruitment Procedure with No. 431/HRM-RCT/07 dated 24 May 2007.
- Memorandum of Procedures for Recruiting Employees Number 0057/PRS-i2/X/12 effective October 22, 2012, which was approved by the General Manager of HRM.
- Collective work agreement for the 2022-2024 period which describes the human resource system, for example:
  - In article 11, namely regarding the acceptance, assessment, appointment, placement and transfer of employees.
  - Chapter IX is about dispute resolution and termination of employment.

The company has shown a record of the implementation of employment procedures, for example:

**Employee Promotion and Assessment**

The company periodically evaluates employees as a reference for grade advancement. From the results of this assessment, an increase in class is then determined, for example as stated in the Letter of Approval with No. 161/PT.SIA-ESE/VII/2022 dated 25 July 2022 concerning the increase in class for the East Estate unit, namely with the initials RS from class D3 to D4.

**Recruitment**

The company did not recruit during the 2023 period. Based on interviews with workers at the Estate and Mill, it was stated that the company's recruitment process was carried out in stages starting from job applications, written tests, interviews and medical tests. In addition, it was also conveyed that there was no detention of personal documents by the company.

**Pension**

The company shows retirement documents, for example with the initials G on February 22, 2023. Furthermore, the company has also

calculated the compensation that will be received by employees and has been paid on March 11, 2022, via bank transfer to the employee's account.

Based on the results of interviews with workers and trade union representatives, it was conveyed that the employment procedures had been carried out by the company in accordance with applicable regulations. They also know that workers are aware of work procedures such as termination, retirement or promotion. In addition, it is known that there is no discrimination against workers.

Status: Comply

**3.6**

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

**3.6.1**

The unit of certification showed Hazard Identification Risk Assessment and Control (HIRAC) documents. It describes hazard identification, environmental impact analysis and all activities/activities/work, work processes, work methods/methods, work places/locations, work equipment and materials/materials using Hazard Identification Forms, Environmental Impact Analysis and OHS Risk Assessment and consider things such as routine activities, normal conditions, abnormal, and emergencies. Preparation of Hazard Identification, Environmental Impact Analysis and OHS Risk Assessment is made before work is carried out in all sections/departments and must be reviewed (evaluated and corrected) at least once a year.

The company shows the updated Hazard Identification, Environmental Impact Analysis and OHS Risk Assessment Forms on December 21, 2022, which were prepared by the OHS Expert and approved by the Plantation Manager and POM. During the audit activity the company showed records of Hazard Identification, Environmental Impact Analysis and OHS Risk Assessment in each work unit including in the Plantation, updated on December 21 2022, with work activities/processes including land clearing, nursery, planting, land maintenance, harvesting and transportation, fertilizing, spraying, warehouse, fuelling station, hazardous waste warehouse, polyclinic, electrical installation, generator house, lawn mower, infrastructure (heavy equipment, road maintenance), infrastructure (civil), Estate office, workshop, harvest mechanization, housing, fire patrols, environmental monitoring.

Based on the results of interviews with harvest workers in Block G13 Division V East Estate, it is known that workers already know and understand the hazard identification documents, risks and control plans, and are able to implement them in the field. Based on the explanation above, it is known that there are results of risk identification and implementation plans that are disseminated to management and employees.

**3.6.2**

Monitoring the effectiveness of the OHS plan in dealing with health & safety risks can be seen in the OHS committee report document. OHS committee reports have also been reported to relevant agencies, for example, the last time was reported on April 18, 2023 (Mill and Estates) for the reporting period for the first quarter of 2023 to Manpower Agency of Kalimantan Barat Province which has discussed several things, for example regarding the recording of PPE provision, monitoring of PPE completeness, monitoring of emergency response facilities and infrastructure, recording of meetings routine, work accidents, HIRAC, periodic health checks and evaluation of OHS programs.

The company routinely conducts OHS Committee meetings every month by showing the following evidence:

- OHS Committee meeting on April 15 2023 which took place at the factory office with the following topics of discussion: evaluation of work accidents, work accident prevention plans, strengthening of OHS inspections and provision of PPE for all workers. Companies can show documentation and attendance lists of these activities.

The company has been able to show license for operators, such as:

- Class III Welder License in the name of A.D (initials) with number S.510/JL/PNK3/V/14.
- Air Pollution Control License from Emissions in the name of H.C (initials) with number 71203 313299 4 0001411 2021 dated July 21, 2021 valid for 3 years.
- Waste Water Treatment License in the name of FRM (initials) with number 37021 313203 4 0001436 2021 dated July 26, 2021 valid for 3 years.
- 2 Class 1 Boiler licenses, for example in the name of H.S (initials) with number 5/10721/AS.02.00/IV/2021 valid until April 15, 2026.

Based on the results of interviews with Engine Room Operator employees, it is known that workers have admitted to taking part in training related to OHS aspects organized by the company. Based on the explanation above, it is known that workers have received adequate OHS training.

Based on medical assignment and interview with company doctor, there are 1 employee who have not had a health check because these employees are afraid of health checks Companies are encouraged to ensure that all fertilizer workers are included in the health screening program. (OFI)

**Status: Comply**

**3.7**

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

**3.7.1 and 3.7.2**

The company shows a training program for each unit in 2022-2023 covering all aspects of the RSPO P&C. Training also includes those who need training such as staff, workers, smallholders and contractors. The training program document informs the type of training, plan/schedule and attendance such as:

- Basic OSH and environment
- Pesticide training
- Training on hazardous and toxic materials and hazardous and toxic waste management
- Licence operator training
- RSPO-ISPO & SCCS training
- Emergency response training.

The company also shows the realization of training, for example:

- Minutes of the spray team training held on March 7, 2023, for 18 participants.
- Minutes of first aid training held on 28 April 2023 for 22 participants.
- Minutes of emergency response training held on 4 April 2023 for 22 participants.

Based on interviews with trade unions and workers such as warehouse officers, harvesters, fertilizer workers, grading officers, boiler officers, it was conveyed that the company has provided training or outreach regarding work procedures to each worker orally and understood by workers. In addition, the results of interviews with boiler officers also conveyed that these workers had been given boiler officer training. There are training programs that involve contractors, such as socialization of SOPs and training related to OHS. From the results of interviews with workers and contractors, it is known that workers and contractors can explain the training they have received such as work procedures and OSH implementation.

Based on the previous OFI relating to operator licenses, it is known that the company has been able to show operators who have undergone special training such as a boiler operator license which is explained in more detail in indicator 3.6.2.

**3.7.3**

Training Program 2023 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2023 conducted on 05 September 2023. The training subjected to SOP of Supply Chain and Traceability of Palm products. Training attended by relevant personnel including mill assistant, laboratory, Senior Assistant, weighbridge clerk, production clerk and etc.

Based on interview to the workers involved in SCCS operations, such as, weighbridge operator (for dividing amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data), known that the workers understood the SCCS mechanism, and the MB record has conducted and monitored well, however based on interview with workers in estate it became non conformity as explained on indicator 3.8.5

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1 & 3.8.2**

Bukit Ajong Factory implemented SCCS Module Mass Balance due to processed FFB from certified and uncertified sources.

**3.8.3**

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

	Last Year Projected Certified Volume (Ton)	Realization from May 2022 – April 2023 (Ton)	Estimation for the next 12 months
FFB Processed	92,987	79,229.98	10,500.00
CPO Production	19,527	16,398.97	2,205.00
PK Production	4,649	3,502.42	525.00

**3.8.4**

The Mill has registered as RSPO member under Sime Darby Plantation Berhad (No. 1-0008-04-000-00) and also has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: Sime Darby Plantation – Bukit Ajong POM, PT SIA
- License ID: CB137521
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000000107
- Type of Business: Oil Mill

During license period it was known there is no product sold as RSPO certified. All certified products sold as non-certified/conventional as described in indicator 3.8.8 and 3.8.16. The company has been removed or allocated to credit product certified products sold as conventional.

**3.8.5**

Bukit Ajong POM already has documented procedures related to SCCS / Supply Chain in the RSPO SCCS Manual (Standard SCCS) RSPO Supply Chain Certification Standard document (SCCS-Std/RSPO/PSQM/02 dated 02 July 2020). The procedure has explained related to the identification of the role of individuals who have overall responsibility and authority for the implementation of these requirements and compliance with all applicable requirements. The results of document verification also show that the procedure has been socialized to workers, for example on September 5, 2022. However, based on the results of field visits and interviews with workers, it is known that:

- There are still staff who do not know about the scope of the audit certification (certified or non-certified areas) as evidenced by the fact that during a field visit the auditor team was directed to a division that is outside the scope of certification.
- No verification was carried out regarding the traceability of FFB received from KUD Himado
- The results of interviews with FFB workers/operators in the East Estate assumed that all the FFB produced was RSPO certified, even though in actual fact there were areas in East Estate that did not yet have HGU covering an area of 1822.89 Ha.

Based on explanations above there is no evidence yet that all individuals who have responsibility in the role of SCCS have demonstrated knowledge related to supply chain procedures. **NCR 2023.05 With major Category.**

**3.8.6**

The procedure for internal audit mentioned in the Procedure of Internal Audit (No. SCCS-IA/RSPO/PSQM/04 dated 1 March 2018). Based on that procedure internal audit carry out minimum one times a year. Based on document review, the company show the record evidence regarding internal audit of RSPO SCCS that conducted on 12 – 17 April 2023. Based on result of internal audit, there is 1 non conformity and it has been closed on prior the surveillance audit carried out and complied with RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted in February 2023. The management review discussion has covered the input from internal audit result, correction and corrective action, process performa and product compliance, follow up of previous management review, and recommendation for improvement.

**3.8.7**

Records of FFB acceptance from certified and uncertified FFB has been well documented by the company as described below:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
May-22	9,861.06	3,324.80	13,185.86
Jun-22	8,181.52	5,506.84	13,688.37
Jul-22	7,978.67	4,015.18	11,993.85
Aug-22	8,330.36	4,074.48	12,404.85
Sep-22	7,814.23	3,569.82	11,384.05
Oct-22	7,499.27	3,535.81	11,035.08
Nov-22	6,748.53	3,518.01	10,266.54
Dec-22	5,356.63	2,294.52	7,651.16
Jan-23	5,608.55	3,188.09	8,796.65
Feb-23	4,133.75	2,322.42	6,456.17
Mar-23	3,892.76	1,910.51	5,803.27
Apr-23	3,824.64	1,957.50	5,782.15
<b>Total</b>	<b>79,229.98</b>	<b>39,217.99</b>	<b>118,447.97</b>

Estimated certified product recorded in the last assessment report and certificate, as well as in the RSPO IT Platform. Actual certified produced has been verified during this assessment and not exceed from projections. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table,

	Last Year Projected Certified Volume (Ton)	Realization from May 2022 – April 2023 (Ton)	Estimation for the next 12 months
FFB Processed	92,987	79,229.98	10,500.00
CPO Production	19,527	16,398.97	2,205.00
PK Production	4,649	3,502.42	525.00

Furthermore, regarding traceability of FFB The results of the audit verification obtained information that the FFB received at Bukit Ajong Factory came from certified areas from PT SIA and Plasma Bukit Ajong, uncertified areas from PT SIA and KUD Sepadan Jaya which were not yet RSPO certified. For FFB originating from the nucleus plantations, the company has determined certified fields and blocks divided between certified and uncertified areas are considered non-certified. Meanwhile for FFB from KUD (Plasma East and West), based on the results of field visits it is known that:

- Fruit delivery letter taken and given at the KUD Himado Post which is located next to the Bukit Ajong Factory entrance.
- There is no travel document / proof of delivery from the field before arriving at the Himado KUD Post to ensure the origin of FFB.
- When he arrives at the Himado Post, the FFB driver only mentions the vehicle number, estimated tonnage and origin of FFB, which is then matched with the harvest rotation schedule, without any other supporting documents.
- Transportation is carried out independently by farmers in accordance with the harvest activities carried out.
- All FFB received at Himado Post is considered RSPO certified without any verification related to the traceability of the FFB source.
- The results of interviews with stakeholders (KUD administrators / farmers) sometimes for farmers who have adjoining land and are harvested at the same time as the FFB, the harvested fruit is sent to Bukit Ajong Factory.

In this regard, Bukit Ajong Factory cannot show evidence that it can guarantee the receipt of certified and non-certified FFB according to the scope of certification. **NCR No 2023.06 with Major Category**

**3.8.8**

During the starting date of the license until the audit, there is no sales of RSPO certified product (CSPO and CSPK). However, there were selling of CSPO and CSPK as conventional during this period.

**3.8.9; 3.8.10 & 3.8.11**

The Mill has imposed provisions that must be applied by contractors as contained in the work agreements or Supply Chain Procedure (SCCS-Std/RSPO/PSQM/02, Revision 3, 01 December 2020), clausal 4.4 (Outsourcing activity) which described when the certifying organization outsources activities to independent third parties (eg subcontractors for storage, transportation or other outsourcing activities), the certifying organization must ensure that the third parties comply with the RSPO SCCS requirements.

Bukit Ajong Factory doesn't outsource refining and crushing activity. The company uses third party contractors for CPO and PK transportation activities. For transportation of certified products, the company uses contracting services. Based on the contractor's list, there are two contractors CPO and PK namely PT Bangun Melawo Persada and CV Agon Jaya and been ruled in the work agreement that approved by both parties in example work agreement (agreement No 034/Pengangkutan CPO PK/SIA-BAF/VII/2022 dated 01 July 2022.

Since last assessment it was known there is no new contractors and there is no certified product sold as claimed RSPO certified product. The contractors and certified holder also have an agreement related to transparency of contractor operational mechanism, and it's confirmed during audit where auditor can contact the contractors.

**3.8.12**

Based on documents verifications and interviews with management it was known if all FFB processed are sourced from RSPO certified and non-certified. Documentation for the Sustainable Crude Palm Oil (Sustainable CPO) consists of daily record of the FFB acceptance, the daily record of CPO production, which is classified as the CSPO, sale record, stock record that has been reconciled with the FFB acceptance, monthly production, and sale and annual recapitulation, as described below:

**Crude Palm Oil**

Period	CSPK production (MT)		Total	Cert CPO Dispatch (MT)
	Cert	Non-Cert		Non-Cert
opening stock	875.64	813.12	1,688.76	0
May-22	2,096.18	706.76	2,802.93	0
Jun-22	1,759.49	1,184.28	2,943.77	0
Jul-22	1,753.33	882.34	2,635.67	1,507.71
Aug-22	1,825.74	892.99	2,718.73	1,692.01
Sep-22	1,581.61	722.53	2,304.14	4,305.2
Oct-22	1,551.53	731.52	2,283.05	0
Nov-22	1,360.88	709.43	2,070.32	4,140.89
Dec-22	1,097.91	470.29	1,568.20	1,508.35
Jan-23	1,088.09	618.51	1,706.59	0
Feb-23	784.94	440.99	1,225.93	1,803.91
Mar-23	726.38	356.50	1,082.88	506.87
Apr-23	772.90	395.58	1,168.48	0
<b>Total</b>	<b>16,398.97</b>	<b>8,111.73</b>	<b>24,510.70</b>	<b>15,464.94</b>

**CSPK**

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)
	Cert	Non Cert		Non Cert
May-22	452.05	152.42	604.47	444.92
Jun-22	379.84	255.67	635.51	202.26
Jul-22	383.00	192.74	575.75	278.74
Aug-22	387.66	189.61	577.27	651.44



Sep-22	351.64	160.64	512.28	328.24
Oct-22	340.97	160.76	501.73	392.17
Nov-22	297.34	155.00	452.34	197.23
Dec-22	246.55	105.61	352.16	315.69
Jan-23	244.04	138.72	382.76	231.16
Feb-23	170.74	95.93	266.67	2.22
Mar-23	121.65	59.71	181.36	262.53
Apr-23	126.93	64.96	191.89	163.67
<b>Total</b>	<b>3,502.42</b>	<b>1,731.76</b>	<b>5,234.18</b>	<b>3,470.27</b>

**3.8.13; 3.8.14**

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production.

**3.8.15**

SCSS module used in Ladang Panjang POM is Mass Balance (MB), because the mill receives FFB from source that non-certified RSPO.

**3.8.16**

The results of the review of company documents can show the recording of mass balances, as explained in the following table:

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)
	Cert	Non-Cert		Non-Cert
Opening stock	875.64	813.12	1,688.76	0
May-22	2,096.18	706.76	2,802.93	0
Jun-22	1,759.49	1,184.28	2,943.77	0
Jul-22	1,753.33	882.34	2,635.67	1,507.71
Aug-22	1,825.74	892.99	2,718.73	1,692.01
Sep-22	1,581.61	722.53	2,304.14	4,305.2
Oct-22	1,551.53	731.52	2,283.05	0
Nov-22	1,360.88	709.43	2,070.32	4,140.89
Dec-22	1,097.91	470.29	1,568.20	1,508.35
Jan-23	1,088.09	618.51	1,706.59	0
Feb-23	784.94	440.99	1,225.93	1,803.91
Mar-23	726.38	356.50	1,082.88	506.87
Apr-23	772.90	395.58	1,168.48	0
<b>Total</b>	<b>16,398.97</b>	<b>8,111.73</b>	<b>24,510.70</b>	<b>15,464.94</b>

Based on the CSPO (Mass Balance record) production and dispatch table, it is known that there is no physical sale of certified products, and all of these products are sold conventionally.

Regarding products sold conventionally / non-certified, the company has allocated and made sales with the following details:

Credit Allocation		Credit sales	
Date	Volume (MT)	Date	Volume (MT)
10 January 2023	5,077	10 January 2023	5,000
21 February 2023	14,050	21 February 2023	14,000
<b>Total</b>	<b>19,127</b>	<b>Total</b>	<b>19,000</b>

Based on the explanation above, it is known that products sold on credit are larger than the production of certified CPO and/or certified production sold conventionally. **NCR No 2023.07 With major Category**

**3.8.17**

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

<b>3.8.5</b>	<b>Status: NCR No 2023.06 With major Category</b>
<b>3.8.7</b>	<b>Status: NCR No 2023.07 With major Category</b>
<b>3.8.16</b>	<b>Status: NCR No 2023.08 With major Category</b>

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

**4.1**

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

**4.1.1**

The policies regarding human rights described in the Sime Darby human rights charters February 2017 that's described respect the rights of their employees, workers in their operations and communities through the commitments which include, but are not limited to providing equal opportunities, respecting freedom of association, eradicating any form of exploitation, ensuring favourable working conditions, enhancing safety and health, respecting community rights and the rights of indigenous people, protecting the rights of vulnerable people, protecting the rights of children, eliminating violence and sexual harassment. Furthermore, the policy regarding prohibiting retaliation against Human Rights Defenders (HRDs) ruled in the Code of Business Conduct (February 2022) Which described The Group does not tolerate retaliation against individual who discloses any actual or suspected violations in good faith. The spokes did not suffer harassment, retaliation, or adverse employment consequence for speaking up or cooperating in an investigation.

Based on the explanation above, during the past year there were no issues / incidents of human rights violations that occurred in the vicinity or the operational area of the certification unit so that there were no acts of intimidation / violence carried out by the certification unit including contracted services such as security services that were contracted and others.

**4.1.2**

The unit of certification has no record related to the use of force/mercenaries/paramilitary in resolving conflicts/problems that exist between the unit of certification and workers or stakeholders. Based on the results of interviews with representatives of labor unions and representatives of the gender committee, it is known that the unit of certification does not use mercenaries or paramilitaries in the unit of certification's operational areas. If there are problems, they will be resolved using deliberation without resorting to violence. The resolution of conflicts/problems using this deliberation has been quite effective.

**Status: Comply**

**4.2**

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

**4.2.1 and 4.2.2**

The company has SOP for All Parties and Communities Grievance Handling Mechanism with No. 01/MPK-OU/XII/21 issued on December 1, 2021, which explains that the steps for submitting complaints verbally and/or in writing are addressed to management representatives and will be responded to within 2 weeks (if no department head approval is required) and within 1 month (if approval is required). In addition, the identity of the reporter will be kept confidential if necessary.

This procedure also ensures that affected parties, including those who are illiterate, understand the procedure, by means of the company carrying out visual outreach and placing process flows in strategic places.

The socialization of this procedure has also been carried out to workers, contractors and the surrounding community, for example on November 14, 2022, and was attended by 41 people. In addition, for affected parties who cannot read or write, the company will convey it directly and the company will also issue warnings regarding the complaint mechanism in strategic areas. Based on the recapitulation of complaints and complaints for the past one-year period, no complaints were found.

Based on the results of interviews with workers, representatives of Dosan Village and related agencies, it is known that procedures/SOPs/grievance mechanisms have been periodically submitted to stakeholders. Each complaint is also well responded to by the management unit.

**4.2.3**

PT SIA has an SOP for Grievance Handling Mechanism for All Parties and Communities with No. 01/MPK-OU/XII/21 issued on December 1, 2021, which explains that complaints/aspirations are answered no later than 2 weeks or 14 days from the date the complaints/aspirations are received.

The company shows the recording of incoming letters as on February 15, 2023, from with the initials US regarding the return of land ownership rights and from the coordinator of the farmer group regarding the repair of the shaft road but based on the recording of responses/outgoing letters, no reply/response has been found from either of these matters. **NCR No. 2023.08 with the Minor category.**

**4.2.4**

PT SIA has an SOP for Grievance Handling Mechanism for All Parties and Communities with No. 01/MPK-OU/XII/21 issued on 1 December 2021. In the conflict resolution process, in addition to the mediation method between the company and the affected party and submitting a report to the RSPO secretariat, the affected party also has the option of obtaining legal and technical assistance from an independent party. Affected parties also have the freedom to choose people or groups who can support them and/or act as observers.

Based on interviews with representatives of the Dosan Village community, it was conveyed that stakeholders already know the system related to the company's conflict mechanism and the company's PIC that handles it.

<b>4.2.3</b>	<b>Status: NCR No. 2023.08 in the Minor category</b>
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**4.3**

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

**4.3.1**

The results of verification of company documents can show contributions to community development, including:

- Dusun Serosat Road Repair (Assistance using 15.80 HM Excavator) in October 2022
- Repair of Axis Road 3 Plasma Gok Nala (Help with 14.80 HM Excavator) in November 2022
- Submission of Donations for Kwartir Scout Movement, Sanggau Branch, Regional Wira Karya Camping Program (PWD) in November 2022

In previous assessment there opportunity for improvement where the unit of certification has the opportunity to ensure that local contributions are in accordance with the results of consultations with local communities. During the audit process, the results of the Physical and Non-Physical Development Activity Plan for Sanggau Regency for the 2023 Fiscal Year Parindu District could be shown, but no proof of participation from the company could be shown. Based on the results of interviews with relevant stakeholders during the audit process (Village and Hamlet) with contributions to local development, the company provided assistance/contribution through proposals from the community to the company and the results of interviews with representatives of surrounding villages, information was obtained that during the last 2 years this had not been done deliberations/meetings to discuss the needs of local communities.

Based on that's explanations the company has not been able to show evidence that the community development program is based on the results of consultations with local communities. **NCR No. 2023.09 in the Minor category**

<b>4.3.1</b>	<b>Status: NCR No. 2023.09 in the Minor category</b>
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**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 scope of certification is 7,227.78 ha, consisting of:

Estate	Total Area
West Estate	4,562.30

East Estate	2,665.48
<b>Total Estate</b>	<b>7,227.78</b>

The unit of certification has shown details of legality, including:

#### Location Permit

The unit of certification shows location permits, including:

- Decree of the Head of the Land Office of Sanggau Regency No. 400-29/IL-41-1996 located in Parindu District on 24 October 1996 covering an area of  $\pm$  14,000 Ha.
- Decree of the Head of the Land Office of Sanggau Regency No. 400-60/IL-41-97 concerning Granting of expansion of location permit for oil palm plantations located in Parindu and Tayan Hulu sub-districts on 12 May 1997 covering an area of  $\pm$  7,000 Ha.
- Letter of the Head of the National Land Office No. 462-3647 dated September 30, 1998, regarding the Dispensation for Extension of Location Permit from PT Sime Indo Agro.
- Decree of the Head of the Land Office of Sanggau Regency No. 400-54/IL-41-1999 regarding the extension of the location permit for the purpose of oil palm plantations located in Parindu and Tayan Hulu sub-districts on 24 October 1996 covering an area of  $\pm$  7,000 ha.
- Decree of the Regent of Sanggau No. 400-07/IL-41-2000 concerning Revision of the Extension of Location Permits for Oil Palm Plantation in Parindu and Tayan Hulu Subdistricts, Sanggau Regency and PT Sime Indo Agro dated October 23, 2000, covering an area of  $\pm$  8,000 Ha.
- Decree of the Regent of Sanggau No. 400-03/IL-41-2002 concerning Extension of Revision of Location Permit Area for Partnership Pattern Oil Palm Plantation in Parindu District, Sanggau Regency by PT Sime Indo Agro dated December 23, 2002, covering an area of  $\pm$  5,727 Ha.

#### Plantation Business Permit

The unit of certification already has a Plantation Business Permit and an Industrial Business Permit No. 399/T/PERTANIAN/2001 dated November 5, 2001, with a processing capacity of 38,640 tons of CPO, 10,080 tons of PK, and land area of 11,653 ha.

#### Land use rights

The unit of certification has land use rights with total **HGU 7,159.81 Ha** and **HGB 67.97 Ha**. Documents related to that area, including:

- HGU Certificate No. 00160 (formerly HGU certificate No. 1 prior to the release of Partial HGU) with an area of 7,300 Ha located in the Villages of Maringin Jaya, Palem Jaya, Suka Gerundi, Hibun Rahayu and Upe dated December 24, 1998, based on HGU Decree No. 81/HGU/BPN/ 98 dated November 19, 1998. There was a partial release of HGU No. 1 (for the issuance of associated smallholder SHM) based on the Letter of the Head of BPN No. 3927-310.3 dated December 18, 2007, covering an area of 2,737.66 Ha. So, the area of HGU becomes 4,562.34 Ha.
- HGU Certificate No. 00162 (formerly HGU certificate No. 5 prior to the release of Partial HGU) with an area of 4,352 Ha located in Hibun, Maringin Jaya and Dosan Villages on 26 June 2000, based on SK 20/HGU/BPN/2000 dated 2 May 2000. There is a partial release of HGU No. 5 (for the issuance of associated smallholder SHM) based on the Letter of the Head of BPN No. 2528-310.3 dated July 28, 2008, covering an area of 1,754.49 Ha. So, the area of HGU becomes 2,597.51 Ha.
- HGB Certificate No.1 dated June 16, 1998 for a land area of 49,852 M2
- HGB Certificate No.2 dated June 16, 1998 for a land area of 49,990 M2
- HGB Certificate No.3 dated June 16, 1998 for a land area of 49,990 M2
- HGB Certificate No.4 dated June 16, 1998 for a land area of 49,973 M2
- HGB Certificate No.5 dated 18 June 1998 for a land area of 49,936 M2
- HGB Certificate No.6 dated 18 June 1998 for a land area of 49,995 M2
- HGB Certificate No.7 dated April 15, 1999 for a land area of 380,000 M2.

#### 4.4.2

The land compensation process for the certification unit included in the scope of certification was completed before 2005, namely 1997-1999. The unit of certification has shown documentation of land compensation, for example :

- Declaration of release of land rights with the initials ES in 1996 covering an area of 7.5 Ha. The letter was also signed by the Head of Musan Hamlet, Hibun Village Head, Tumenggung Musan and Parindu Sub-district Head.
- List of land compensation to 214 land owners in Gok Nala Hamlet, Parindu sub-district in 1997 which informs the name of the land owner, the location of the land, the total area, the amount paid and others. The document has been signed by the land

owner.

- List of land compensation to 41 land owners in Semadu Hamlet, Maringin Jaya Village, Parindu Subdistrict, which informs the name of the land owner, the location of the land, the total area, the amount paid and others that have been signed by the land owner. The document was also signed by the Head of Parindu Sub-district, the Head of Maringin Jaya Village, the Head of Semadu Hamlet and the Traditional Head of Semadu Hamlet on September 9, 1997.
- List of land compensation to 4 land owners in Semadu Hamlet, Maringin Jaya Village, Parindu sub-district with a total area of 30 Ha which informs the name of the land owner, the location of the land, the total area, the amount paid and others that have been signed by the land owner. The document was also signed by the Head of Parindu Sub-district, the Head of Maringin Jaya Village, the Head of Semadu Hamlet and the Traditional Head of Semadu Hamlet on March 4, 1998.
- And others.

The unit of certification has also shown Letter of Statement from the local Village Head stating that there has been a handover of land to PT SIA and there are no problems with the community regarding the handover of land that signed by each village, including:

- Hibun Village with a total land area of 2,625 Ha with 350 participants on December 1, 1999. The letter was signed by the local village and the Head of Parindu sub-district.
- Maringin Jaya Village with a total land area of 540 Ha with 72 participants on December 1, 1999. The letter was signed by the local village and the Head of Parindu sub-district.
- Dosan Village with a total land area of 4,732.5 Ha with 631 participants on December 1, 1999. The letter was signed by the local village and the Head of Parindu sub-district.
- Etc.

#### 4.4.3; 4.4.5

The land compensation process for the certification unit was completed before 2005, during period of 1997-1999. All record of compensation process made in Bahasa and signed by affected parties. From the results of interviews with relevant stakeholders, it is known that there is no customary land in the unit of certification's operational area. From the results of the verification of land compensation documents, it is known that land compensation is carried out directly to landowners witnessed by local government. For example, Declaration of release of land rights with the initials ES in 1996 covering an area of 7.5 Ha. The letter was also signed by the Head of Musan Hamlet, Hibun Village Head, Tumenggung Musan and Parindu Sub-district Head. Based on the review of the HGU map document which has referred to the map of land rights owned, there is no information on the existence of customary rights and other rights over the legality of the land owned by the company.

Furthermore, even though the HGU has been obtained, it is known that there are still company areas controlled by other parties with an area of ± 3151.78 Ha, which are classified into community-owned plantation areas, farming/rice field areas, shrub areas and village areas, places of worship and other facilities. The results of interviews with the community around the company obtained information that so far there has been no open conflict between the company and the community regarding the land situation. The results of the interviews also revealed that the community had demanded the company to remove the area from the HGU so that a Certificate of Ownership could be issued.

#### 4.4.4

The land compensation process for the certification unit was completed before 2005, during period of 1997-1999. All record of compensation process made in Bahasa and signed by affected parties. Based on the results of interviews with previous landowners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process.

The company has several policies, as well as SIA management and monitoring plan, that has some purposes. One of them to review agreement with affected parties such as acceptance of local workers if needed, business opportunities, increasing accessibility etc.. Based on interview with surrounding communities known that company has provided village with economic development program and any other CSR programs.

Based on the results of interviews with previous land owners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process. In addition, the compensation process has also involved the local government.

<p><b>4.4.6</b> As mentioned in indicator 4.4.2 PT SIA is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept was not yet available. Based on document verifications, interviews with communities, and management obtained information until the audit was carried out, there is no expansion of area so there is no land compensation activity last compensation has been finished in 1999. Records of the land compensation process consist of documents of land identification and inventory, land location maps, statement of the release of land rights by the owner, Receipt of Payment, Minutes of compensation/Compensation, and witnesses. Besides that, the implementation of FPIC was demonstrated also in social impact assessment and HCV assessment.</p>	<p><b>Status: Comply</b></p>	
<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; 4.5.2; 4.5.3; 4.5.4; 4.5.5; 4.5.6; 4.5.7; 4.5.8</b> Based on document review of areal statement, interview with management, and field observation, it is known that there is no new planting activity after 1 January 2010.</p>		
<p><b>Status: Comply</b></p>		
<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; 4.6.2</b> The unit of certification has a procedure for identifying and compensation for legal and traditional rights in the form of the Occupational Land Acquisition Procedure (No. 06 / SIA / 2012). The procedure describes the mechanisms to identify and calculate the land compensation. In this procedure was explained that the process of identifying the unit of certification's land involves the community, the village administration and the Sub district Government.</p> <p>Based on the results of interviews with previous land owners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process. In addition, the compensation process has also involved the local government.</p> <p><b>4.6.3; 4.6.4</b> The land compensation process for the certification unit was completed before 2005, during period of 1997-1999. All record of compensation process made in Bahasa and signed by affected parties. Based on the results of interviews with previous landowners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process.</p> <p>The company has several policies, as well as SIA management and monitoring plan, that has some purposes. One of them to review agreement with affected parties such as acceptance of local workers if needed, business opportunities, increasing accessibility etc.. Based on interview with surrounding communities known that company has provided village with economic development program and any other CSR programs.</p> <p>Based on the results of interviews with previous land owners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process. In addition, the compensation process has also involved the local government.</p>		
<p><b>Status: Comply</b></p>		
<p><b>4.7</b> <b>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.</b></p>		

**4.7.1; 4.7.2**

The unit of certification has a procedure for identifying and compensation for legal and traditional rights in the form of the Occupational Land Acquisition Procedure (No. 06 / SIA / 2012). The procedure describes the mechanisms to identify and calculate the land compensation. In this procedure was explained that the process of identifying the unit of certification's land involves the community, the village administration, and the Sub district Government.

**4.7.3**

The results of the verification of legality documents and interviews with relevant stakeholders, it is known that there are no new development areas or no new planting in the scope of certification. Based on the results of interviews with previous landowners from Maringin Jaya Village and Dosan Village, information was obtained that compensation had been carried out based on an agreement with the community and there was no coercion in the compensation process. In addition, the compensation process has also involved the local government. From the results of the interview, information was also obtained that one of the benefits of the existence of plantations is that the surrounding community is an associated smallholder development partnership which is currently still going well.

**Status: Comply**

**4.8**

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

**4.8.1; 4.8.2; 4.8.3; 4.8.4**

Even though the HGU has been obtained, it is known that there are still company areas controlled by other parties with an area of ± 3151.78 Ha, which are classified into community-owned plantation areas, farming/rice field areas, shrub areas and village areas, places of worship and other facilities. The results of interviews with the community around the company obtained information that so far there has been no open conflict between the company and the community regarding the land situation. The results of the interviews also revealed that the community had demanded the company to remove the area from the HGU so that a Certificate of Ownership could be issued.

In relation to the situation above, it can be shown the proposed release of the occupied area from the CEO of KTB on February 18, 2023, through proposal No 018 /PSD-KTB/SIA/II/2021 Regarding the Request for Approval for the Relinquishment of Part of PT SIA's HGU for Community Enclave Land. The results of the interviews and document verification obtained information that the area is in the process of being approved by the managements Related to this, the company is encouraged to continue to monitor this process. (OFI)

**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**

The FFB price for the Plasma Cooperative follows the FFB price for oil palm from the FFB Pricing Team at the Plantation and Livestock Service Office of West Kalimantan Province, for example the Minutes of Meetings of the Team to determine the purchase price of FFB Produced Planters of West Kalimantan Province for the April 2023 period. For example, the price for FFB with a 10–20-year-old plant is Rp 2,574.76 and a 25-year-old plant is Rp 2,283.73.

Based on the results of interviews with representatives of the HIMADO Plasma Cooperative, it is known that the FFB price set by the company is based on the price from the Plantation and Animal Husbandry Office of West Kalimantan Province. When it comes to fixing the price of FFB, the Plasma Cooperative is always involved and invited to a price fixing meeting.

**5.1.2**

The price for FFB to farmers is set by the West Kalimantan Province Plantation and Livestock Service. In determining the price of FFB, farmers are also involved. The plasma farmers always know the price of FFB because every time there is an update on the price of FFB, the company always provides information to the cooperative leaders to inform all of its members. This is in line with the results of consultations with the management of the HIMADO cooperative which stated that information regarding the price of FFB was known through information from the company.

**5.1.3**

As explained in indicator 5.1.2, the FFB price for farmers is determined by the Plantation and Livestock Service Office of West Kalimantan Province. In determining the price of FFB, farmers are also involved. The plasma cooperative always determines the price of FFB. The price agreement has also been explained in the cooperation agreement between the company and the farmers where the FFB price is based on the price set by the Plantation Office. For the determination of the premium value until the appraisal activity is carried out, there has been no determination of the premium value between the company and the farmers.

**5.1.4**

Based on a review of the list of HIAMDO Cooperative (scheme smallholder) members, there are female members who are registered as plasma members. This proves the representation of women in the part of the farmer group that sells FFB to the company.

Based on the results of interviews with representatives of plasma cooperatives, it is known that the cooperative has understood the contract/Mou with the company and there is no coercion from the company. So far, the cooperation with the company has been going well and the Cooperative has the authority to make decisions.

**5.1.5**

The company can show a cooperation agreement with the plasma cooperative, for example the cooperation agreement with the Himado cooperative signed by both parties on November 23, 2004 with an agreement term of 25 years. The agreement explains the rights and obligations of both parties. This agreement was made with the intention and objective of assisting the implementation of government programs for poverty reduction through the development of cooperatives by handing over plantation development to associated smallholders. One of the obligations of the Himado Cooperative is to sell all of the FFB it produces only to PT SIA and at a price determined based on a government decision through the West Kalimantan Provincial Plantation Office.

Based on the results of interviews with representatives of the HIMADO cooperative, it is known that the cooperation agreement has been mutually agreed upon, in accordance with legal provisions and has a time period.

**5.1.6**

The company can show proof of payment for FFB to the Himado Cooperative, for example for the April 2023 period. The results of the verification show that the payment for FFB made by the company is in accordance with the price set by the Plantation and Livestock Service Office of West Kalimantan Province and in accordance with the amount of FFB originating from the Plasma area.

Based on the results of interviews with representatives of the Himado Cooperative, it is known that the company has paid for the FFB according to the price set by the government. There were no complaints regarding payments made by the company.

**5.1.7**

The company has carried out the results of a scale test conducted by the Sanggau Regency Cooperative and Micro Business Trade Office, namely:

- Certificate of weighing bridge test results with Number 510/100/XII/TJ/2022/DPPK-B dated 12 December 2022 for Bridge scales (1) Brand Avery Weigh – Tronix type E 1205 with serial number 161756100 capacity 40 tons / 10 Kg with results Authorized for 2022 anniversary calibration based on RI law Number 2 of 1981 concerning Legal Metrology and will be re-calibrated on December 10, 2023.
- Certificate of weighbridge test results with Number 510/101/XII/TJ/2022/DPPK-B dated 12 December 2022 for bridge scales (2) Brand Avery Weigh – Tronix type ZM 510 with serial number 201550396 capacity 40 tons / 10 Kg with Results Approved for 2022 re-calibration based on RI law No. 2 of 1981 concerning Legal Metrology and will be re-calibrated on December 10, 2023.

The results of observations and interviews with weigh bridge operators obtained information that the certification unit has routinely performed the calibration of weighing equipment by third parties.

**5.1.8**

Based on the results of interviews with company representatives, it is known that currently the company supports independent smallholders such as receiving FFB from independent smallholders, taking the coordinates of farmers' area. As for agreements related to SKI/ICS, up to now this has not been done.



**5.1.9**

The company also has Communication, Consultation and Coordination Procedures with Stakeholders with the SOP document Communication with the parties number 301/SIA-KOM-08//11. The procedure explains technically the guidelines for receiving various complaints submitted by stakeholders or other parties and the process for solving them, such as the flow of communication, consultation, the timeframe for submitting responses to requests for information, complaints, claims, submission of information with a time limit of 2 weeks if approval is not required from the Head of Department and a maximum of 1 month if approval from the Head of Department is required.

Based on a review of the complaint book documents, there were no complaints from the plasma cooperatives and third parties.

**Status: Comply**

**5.2**

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

**5.2.1**

Based on the results of document verification and interviews with stakeholders, it is known that:

- In addition to receiving FFB from PT SIA and KUD Himado which is the scope of certification, there is FFB that is processed at Bukit Ajong Mill from KUD Sepadan Jaya.
- The results of interviews with company representatives found that KUD Sepadan Jaya was a former plasma land of PT SIA unit Sei Mawang and now the farmers are managing it independently.
- The results of the stakeholder consultation revealed that the company had not conducted an assessment of the needs of farmers for support for improving their standard of living or their interest in participating in RSPO certification.

The company has not shown any evidence that it has consulted interested smallholders (regardless of the type of farmer) including women farmers or other suppliers, to assess the smallholders' needs for support for improving their livelihoods or their interest in pursuing RSPO certification. **NCR No 2023.10 with Minor Category.**

**5.2.2 and 5.2.3**

The company has made improvements to the welfare of the communities around the plantations by developing and fully managing associated smallholder plantations and regularly conducting socialization related to RSPO certification. Currently, the management of Associated smallholders is fully managed by cooperative management, while the company only provides assistance to ensure that the management of oil palm cultivation is in accordance with RSPO standards.

**5.2.4**

When the audit was carried out, the cooperation between the certification unit and associated smallholders was carried out with an independent management system in which the management of the associated smallholder plantations was fully carried out by the cooperative. Although management is carried out by a cooperative, all employees working on associated smallholder plantations are workers who have been trained by the company in handling pesticides, maintenance, fertilizing and others. The company also continues to provide assistance in plantation management according to RSPO standards.

**5.2.5**

The unit of certification can show evidence that it has reported its support programs to farmers, especially smallholder associated farmers publicly regarding their progress which is carried out on a regular basis. The evidence shown is based on the receipt of the 2022 Semester 2 LPUP submission document, the 2022 Semester 2 RKL-RPL Report, as well as the 2022 CSR Report which can be accessed publicly.

**5.2.1 Status: NCR No 2023.10 with Minor Category**

**PRINCIPLE #6 RESPECT WORKERS' RIGHTS AND CONDITIONS**

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1 and 6.1.2**

The company has SOP for Sustainable Plantation Management with No. 724/TQEM-SPMS/09 dated 27 August 2010 which explains that all staff/employees must be treated fairly regardless of race, degree, ethnicity, gender, skin colour, imperfection (disability), sexual

orientation, organizational membership, political views, religion and age. This policy has also been socialized in each unit, for example the socialization which was held on 22 August 2022 and was attended by 28 people.

Based on interviews with workers, trade union representatives and representatives of the gender committee, information was also obtained that there was no indication of discrimination against religion, ethnicity, gender and regional origin in the past year.

From the list of employees updated for the April 2023 period, it is also known that the current employee demographics are diverse, not limited to religion, ethnicity, and certain groups.

### **6.1.3**

The company has shown a record of the implementation of employment procedures, for example:

#### **Employee Promotion and Assessment**

The company periodically evaluates employees as a reference for grade advancement. From the results of this assessment, an increase in class is then determined, for example as stated in the Letter of Approval with No. 161/PT.SIA-ESE/VII/2022 dated 25 July 2022 concerning the increase in class for the East Estate unit, namely with the initials RS from class D3 to D4.

#### **Recruitment**

The company did not recruit during the 2023 period. Based on interviews with workers at the Estate and Mill, it was stated that the company's recruitment process was carried out in stages starting from job applications, written tests, interviews and medical tests. In addition, it was also conveyed that there was no detention of personal documents by the company.

#### **Pension**

The company shows retirement documents, for example with the initials G on February 22, 2023. Furthermore, the company has also calculated the compensation that will be received by employees and has been paid on March 11, 2022, via bank transfer to the employee's account.

Based on the results of interviews with workers and trade union representatives, it was conveyed that the employment procedures had been carried out by the company in accordance with applicable regulations. They also know that workers are aware of work procedures such as termination, retirement or promotion. In addition, it is known that there is no discrimination against workers.

### **6.1.4**

Based on interviews with women workers in estates and mills as well as the gender committee, it was conveyed that pregnancy tests were only conducted for pesticide applicators to prevent workers from being exposed to pesticides. He further explained that so far there has never been a pregnancy test which is a discriminatory act.

### **6.1.5**

The company already has a gender committee to deal with issues such as employee harassment, domestic violence and others. The organizational structure consists of protectors, coaches, chairmen, secretaries, coordinators and members. The gender committee also has work programs, for example:

- Routine activities such as joint sports and immunizations.
- Activities at child care centres such as outreach to children about abuse.
- Socialization such as sexual harassment and waste sorting.

The company also shows the realization of the program, for example stated in the minutes of 18 March 2022 regarding the socialization of the rights of women workers in the West Estate and on 11 February 2022 regarding the provision of vitamin A.

The results of interviews with female workers, such as spraying workers and daycare workers, revealed that workers already knew the organization of the gender committee and organizational functions. Employees also know the representatives of the gender committee if there are complaints or complaints related to problems or issues of harassment. Based on interviews with representatives of the gender committee, it was conveyed that there had been no complaints regarding women's issues in the last 1 year.

### **6.1.6**

The company shows IOM with No. 014/HRM-i5.1/SUSU/II/2023 concerning the structure and scale of wages for SKU workers for PT

SIA which refers to the minimum wage for Sanggau district in 2023, which is IDR 2,703,536 and the wage scale starts from the lowest class, namely 1H to the highest, namely 8A .

The company also shows proof of payment of wages to workers, for example for the April 2023 period at West Estate for harvest workers with the initials VL and P who are class 1H with a basic wage payment of IDR 2,703,536.

Based on this, the company has paid equal wages for the same scope of work.

**Status: Comply**

**6.2**

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

**6.2.1**

The company has a collective labor agreement for the 2022-2024 period which stipulates work requirements in accordance with labor regulations, including the following:

- In chapter II about rights and obligations.
- In chapter III on work relations.
- In chapter IV about time, work system and overtime work.
- In chapter V about holidays and rest.
- In chapter VII regarding wages.
- In chapter VIII regarding welfare protection and security.

The company also shows proof of payment of wages to workers, for example for the April 2023 period at West Estate for harvest workers with the initials VL and P who are class 1H with a basic wage payment of IDR 2,703,536.

Based on the results of a document review and interviews with the Manpower and Transmigration Office of the Sanggau Regency and the workers' union, the wages of plantation workers are in accordance with the minimum wage set by the government. Based on interviews with the union, it is known that wages have always been paid on time and in accordance with the stipulated conditions.

Based on document verification, field observations, interviews with workers (harvest workers, fertilizing workers, factory workers, etc.), it is known that there is no indication of forced labor, and the workers know the terms of work and have been paid according to the stipulated conditions.

**6.2.2**

The company has a collective labor agreement for the 2022-2024 period which stipulates work requirements in accordance with labor regulations, including the following:

- In chapter II about rights and obligations.
- In chapter III on work relations.
- In chapter IV about time, work system and overtime work.
- In chapter V about holidays and rest
- In chapter VII regarding wages
- In chapter VIII regarding welfare protection and security

The document explains the procedure for paying workers which includes wage components, minimum wage for workers, calculation of overtime, incentives/premiums and other provisions related to wages. The following is a brief explanation regarding the standard payroll system in the company, including:

- Monthly remuneration is given at the beginning of the month on the seventh (7th) day, which is given through a bank transfer payment system to each worker's account.
- The minimum wage for workers is always based on the determination of the minimum wage each year stipulated by the Governor in each Province (explained further in indicator 4.3.1).
- Premiums are additional wages for working beyond the work target which is calculated according to company regulations (explained further in indicator 4.3.7).
- Overtime is work outside official hours on orders from superiors, wages are calculated in accordance with labor laws and regulations. The calculation of overtime must follow the provisions stipulated in the applicable regulations, namely:

- Overtime must be based on the willingness of workers and cannot be forced by the company.
- Hourly overtime wages are calculated with the following details, Workers' Wages (Basic wages + Fixed allowances) divided by 173.
- Normal days: for the first hour of overtime you are paid 1.5 times the hourly wage and for each subsequent hour of overtime you are paid 2 times the hourly wage.
- Weekly rest days/statutory holidays: for a working time of 6 working days/40 hours a week: the first 7 hours are paid 2 times the hourly wage, the 8th hour is paid 3 times the hourly wage, the 9th and 10th hours are paid 4 times the hourly wage.
- Inter-Office Mail with No. 014/HRM-i5.1/SUSU/II/2023 concerning the structure and scale of wages for SKU workers for PT SIA which refers to the minimum wage for Sanggau district in 2023 which is IDR 2,703,536 and the wage scale starts from the lowest class, namely 1H to the highest that is 8A.

The company also shows proof of payment of wages to workers, for example for the April 2023 period at West Estate for harvest workers with the initials VL and P who are class 1H with a basic wage payment of IDR 2,703,536.

Based on the results of interviews with plantation and factory workers, remuneration has complied with the provisions that apply in the company and has referred to laws and regulations such as payment of minimum wages, pay scale structure, provision of premiums, overtime pay and monthly remuneration is carried out on time.

### 6.2.3

PT SIA shows pay slips proving legal compliance such as hours worked, base salary, deductions, overtime and leave. Based on interviews with generator workers at the East Estate, it was stated that the working hours were 12 hours (2 shifts) with an overtime rate system, but the unit had not been able to provide an explanation for calculating the overtime.

Based on the Mill overtime calculation document, it is known that the security worker with the initial Y for working hours is 12 hours (2 shifts), but in calculating the amount of overtime that is calculated only 10 hours which should be 11 hours after deducting 1 hour of rest.

Based on this, the Unit of Certification has not been able to show proof of legal compliance for regular working hours, deductions, overtime, sick leave, right to holidays, maternity leave, reasons for dismissal, notification period before termination of employment, and other employment provisions. **NCR No. 2023.11 with the Major category.**

### 6.2.4 and 6.2.5

The company shows a list of employee facilities and infrastructure, among others

- Housing : 162 houses in the West Estate and 150 houses in the East Estate
- Mosque as much as 1 unit
- 2 units of churches.

Based on field visits to employee housing, it was found that the housing was in good condition and habitable and had water and electricity facilities. Also interviewed with housing residents, it was conveyed that if there are complaints about housing, they can be conveyed directly to the technical foreman for further repair.

As for health, besides the company having a clinic, the company also cooperates with one of the *puskesmas* in treating employees. As well as for the fulfillment of daily food, workers can buy it at one of the markets which is approximately half an hour away from the housing location.

### 6.2.6

The company shows IOM with No. 014/HRM-i5.1/SUSU/II/2023 concerning the structure and scale of wages for workers for PT SIA which refers to the minimum wage for Sanggau district in 2023, which is IDR 2,703,536 and the wage scale starts from the lowest class, namely 1H to the highest, namely 8A .

Regarding the living wage, the company has assessed the wages paid according to the minimum wage for Sanggau Regency and has also assessed the in-kind benefits provided, which include the cost of housing, water, electricity for homes, health facilities, schools for children of workers, with details as follows:

- Rice : IDR 483,600
- House : IDR 58,215
- Water : IDR 127,772
- Electricity : IDR 511,087
- Transport : IDR 80,064
- Treatment : IDR 71,801

So that from these details, the total receipt of In-Kind Benefit each month is IDR 1,332,539, so the total prevailing wage per month is IDR 4,036,075 (district minimum wage + In-Kind Benefit).

**6.2.7**

The company shows a list of workers for the April 2023 period of 780 workers, with details of 777 permanent workers and 3 people with Fixed Time Work Agreement status. For 3 Fixed Period Working Agreement people, they are non-harvest workers who are employed by 2 people as drivers and 1 person as a mess keeper.

Based on interviews with harvest workers and trade unions, it was stated that overall harvest workers have permanent worker status, whereas if there are new harvest workers, these personnel must undergo a training period of 3 months before being appointed as permanent worker.

<b>6.2.3</b>	<b>Status: NCR No. 2023.11 with the Major category</b>
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**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, 6.3.2 and 6.3.3**

The company has a social policy approved by the Head Plantation Upstream Indonesia in December 2011 which explains that the company respects the rights of every employee to form and join trade unions of their choice and to bargain collectively. The company has also provided outreach regarding company policies including social policies, for example what was stated in the minutes of the event on 14 November 2022 which was attended by 41 people.

The company also shows proof of registration No. 41 of 2023 from the Manpower and Transmigration Office of Sanggau Regency regarding changes to the management of the PT SIA plantation workers union, which was ratified on March 29, 2023, with a management composition namely chairman, vice chairman, treasurer, secretary, sports and arts section, women's empowerment section and religious section . Based on interviews with trade unions, it was stated that there was no company intervention in the arrangement of union management.

Periodically the unions also hold meetings, for example the one held on April 13, 2023, which was attended by 11 people with an agenda for discussion related to the socialization of collective labor agreements and wage adjustments for 2023.

<b>Status: Comply</b>
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**6.4**

**Children are not employed or exploited.**

**6.4.1, 6.4.2, 6.4.3 and 6.4.4**

PT SIA has a Social Policy approved by the Head of Plantation Upstream Indonesia in December 2011 which explains the prohibition of the use of forced labor and underage labor (children).

The company shows a list of workers for the April 2023 period which informs the date of entry and date of birth, from this it was not found that any personnel started work under the age of 18. The company also periodically socializes the prohibition of hiring underage children to external parties (contractors and the surrounding community), for example on November 14, 2022, which was attended by 41 people.

Based on the results of field visits and interviews with labor unions and gender committees from the West Estate and East Estate, it was found that there were no child workers, and the workers were aware of the policy prohibiting the employment of minors. Apart from that, a warning was also found informing about the prohibition, including the prohibition on children being at the work site.

Thus, it can be concluded that the company has implemented a policy regarding the prohibition of employing underage children.

**Status: Comply**

**6.5**

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

**6.5.1**

The company presented the Gender Policy approved by Head Plantation Upstream Indonesia in December 2011 which explains that management is trying to prevent sexual harassment and other forms of crime. The company also periodically socializes the prohibition of harassment or violence in the workplace to workers and external parties (contractors and the surrounding community), for example on November 14, 2022, which was attended by 41 people.

Based on the recapitulation of employee complaints and complaints over the last one year period, there were no complaints related to harassment/violence/mistreatment. As a result of interviews with the Sanggau Regency Manpower Office, workers' unions and harvest workers in the east estate and west estate, information was obtained that in the past year no information regarding incidents of harassment/violence/mistreatment was submitted.

From the description above it can be concluded that the company has and implements a policy to ensure that workers are free from all forms of harassment, threats, abuse both physically and mentally from fellow workers or plantation business actors.

**6.5.2**

The company shows the Gender Policy which was approved by the Head of Plantation Upstream Indonesia in December 2011 which explains the protection of reproductive rights, especially for women. This policy was disseminated to all employees on November 14, 2022, which was attended by 51 people.

Based on interviews with women workers in estates and mills, it was stated that the unit of certification had given female workers 2 days menstrual leave and 3 months of maternity leave. It was further explained that so far there have never been any problems in applying for menstruation or maternity leave.

**6.5.3**

The company has conducted an assessment of the needs of new mothers giving birth, for example for the 2023 period, including the following:

- Maternity leave.
- Postnatal care.
- Breastfeeding time.
- Caring more attention to the baby.
- Work time reduction.
- Slings, clothes and blankets.
- Place for breastfeeding.
- Mother and baby care including immunization.

Based on this, the company evaluates and follows up, among others, as follows:

- Provide 3 months maternity leave to employees.
- Provide a special place and time for breastfeeding.
- Provide routine control schedule for mother and child.
- Allocating mothers for non-chemical work.
- Provide special time for mothers for consultations related to baby care.

**6.5.4**

PT SIA has an SOP for Grievance Handling Mechanism for All Parties and Communities with No. 01/MPK-OU/XII/21 which was issued on December 1, 2021 which explains that Management guarantees the security and confidentiality of reporting from the parties, both from employees and from the community and external agencies/agencies regarding general reporting of work operations or special cases, discrimination, human rights violations accompanied by adequate evidence such as reported corruption cases (whistleblower).

Based on the results of interviews with workers, it is known that complaints can be submitted to the direct supervisor, trade unions or the gender committee. As for associated farmers, contractors or village communities, complaints can be submitted through staff appointed as management representatives. If there is a complaint that is confidential (for example: sexual harassment), then the identity of the complainant will be kept confidential. This aims to provide space for all workers or stakeholders to be able to submit complaints comfortably if there are practices that are not in accordance with the ethical practice policy.

**Status: Comply**

**6.6**

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

**6.6.1**

During the audit, it was discovered that there were foreign workers employed in the position of chief operating officer (top management). In addition, the company has also been able to demonstrate the legality of workers such as:

- Ratification of plans for the use of foreign workers with No. B.3/13069/PK.04.00/III/2023 issued by the Indonesian Ministry of Manpower on March 14, 2023, which is valid for 1 year.
- Limited stay visa with e-visa Number EVX0149726LN with a length of stay of 12 months which was legalized on 15 May 2023.

**6.6.2**

The company has procedures for licensing foreign workers with No. 371/ADM-PTA/08 on March 13, 2008, which explains the regulation on the use of foreign workers such as processing work legality in Indonesia, starting from arranging plans to use foreign workers, applying for work visas, limited stay permit visas, limited permit residence cards, etc. The procedure also states the prohibition of discrimination and the absence of contract substitution.

**Status: Comply**

**6.7**

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

**6.7.1**

The unit certification showed the Decree of OHS Committee Team endorsement by the relevant agency in accordance with the OHS Committee personnel, with the following organizational structure:

- Decree of the Head of the Office of Manpower and Transmigration of West Kalimantan Province No. 486/NT.WASKER-2/2021 dated September 8, 2021, concerning the Establishment of the Management Organizational Structure of the Occupational Safety and Health Advisory Committee (OHS Committee) of PT Sedjahtera Indo Agro. In the decision it was stated that the OHS Committee secretary was on behalf of A.M (initials) who was also a General K3 Expert in the company and the number of managements was 37 peoples.
- Decree of the Minister of Manpower of the Republic of Indonesia No. 5/7161/AS.02.04/VI/2021 dated June 30, 2021, concerning General Designation of OHS Expert. In the decision it was explained that A.M (initials) was appointed as General OHS Expert for PT Minamas Gemilang which is valid for 3 years from the date of stipulation.
- OHS Expert Authority Certificate in the name of A.M (initials) with No. Reg. 46452/PK3/AJ/31/2021/P1 dated 30 June 2021 which is valid until 30 June 2024 with the company name PT Minamas Gemilang.

The company routinely conducts P2K3 meetings every month by showing the following evidence:

- OHS Committee meeting on April 15, 2023, which took place at the factory office with the following topics of discussion: evaluation of work accidents, work accident prevention plans, strengthening of OHS inspections and provision of PPE for all workers. Companies can show documentation and attendance lists of these activities.

Based on the explanation above, it is known that an OHS organization has been formed with an adequate number of personnel in accordance with the laws and regulations.

Based on the results of interviews with related agencies, the company's OHS Committee structure has been approved by the relevant agencies in accordance with statutory regulations.

**6.7.2**

The unit of certification has emergency response procedures and work accidents listed in the occupational safety and health document with a picture of a palm oil mill, chapter 3 regarding emergency measures No. 723/PSQM-PSS/12 which is effective December 4, 2012. These procedures, among others, regulate PPE for emergencies, emergency preparedness and response, emergency teams, emergency organization and safety permit, equipment for emergencies, arrangement plan, simulation and announcement.

The unit of certification has also provided workers assigned to the field and other work locations and has received first aid training. In addition, the certification unit has a Hiperkes certified medical officer with the number 122.970/DBK3-PM/10/XIV/2017 and have 20 first aider who has a training from Indonesia Red Cross Sanggau Regency dated April 12, 2019. The last first aid related training was held on April 28, 2023, with 22 participants who were a combination of plantations and mill.

The results of field observations at POM and Estate, it is known that the certification holder has provided a first aid kit at the workplace whose contents refer to the applicable provisions, namely 21 items according to PER.15/MEN/VIII/2008 with an updated monitoring form. First aid kits at POM, such as at security posts, weighing post, sortation areas, power house stations, workshop, hazardous waste warehouse, and warehouses.

The certification unit also provides a first aid bag that is in the field and brought by the field foreman, such as in harvesting, spraying, and fertilizing. From the results of the interview, it was known that the officer who brought the first aid kit had understood the function of the first aid kit.

Based on interviews with management representatives and boiler station officers, if there is an emergency in the Mill area, there are instructions for evacuation routes and gathering points in the POM area. The results of the simulation on the hydrant in the boiler area, it is known that the hydrant is functioning properly and emergency response officers have been able to implement fire emergency response procedures.

**6.7.3**

The unit certification showed documents related to the provision of PPE in the PPE Expenditure Records document. In the guidelines it is stated that for PPE that has been damaged/cannot function properly before the specified replacement frequency, you can request replacement by bringing the old PPE and get approval from their respective superiors.

In the context of implementing these regulations, the Company provides adequate Personal Protective Equipment (PPE) according to its designation for each worker, which is shown as follows:

- Records of replacement of work PPE at West Estate on January 10, 2023. PPE in the form of masks, gloves, aprons, boots for pesticide application workers.
- Record of Replacement of Work PPE at East Estate on January 9, 2023. PPE in the form of boots for fertilizer application workers.
- Records of Expenditure of Work PPE at Bukit Ajong Mill on February 27, 2023. PPE in the form of Ear Plugs to Boiler Operator officers.

In line with the results of document verification, the Boiler Operator officer also explained that employees had received PPE free of charge by the company and understood the mechanism for replacing PPE if PPE was damaged/lost. The PPE used by workers is currently in good condition and ready to use.

The auditor made field observations at the East Estate PPE Warehouse, knowing that the company had provided spare PPE, including:

- PPE Safety Shoes Total 9 pairs.
- PPE Apron Total 26 pieces.

Based on the explanation above, it is known that unit of certification provide adequate Personal Protective Equipment (PPE) in accordance with its designation for each worker.

Based on field observations at the West and East estates, it was found that they had rinse houses. Based on interviews with spray workers, it was found that after work they cleaned their work tools, PPE used, and cleaned themselves at the rinse house.



**6.7.4**

The company already has a Policy to include workers in the National Social Security System program. This is stated in the 2022-2024 joint work agreement in article 52, namely the company registers every worker for Social Security Agency on Employment and in article 53 for Social Security Agency on Health.

The company has also shown a list of workers and their spouses who are included in the Social Security Agency on Health program and all workers have entered the Social Security Agency on Health program. The company has shown proof of Social Security Agency payment, including:

**Social Security Agency of Employment**

- West Estate: Proof of April 2023 payment paid on April 4, 2023.
- East Estate: Proof of April 2023 payment paid on April 3, 2023.

**Social Security Agency of Health**

- West Estate: Proof of April 2023 payment paid on April 4, 2023.
- East Estate: Proof of April 2023 payment paid on April 3, 2023.

Based on the results of interviews with plantation and factory workers, it is known that the company has provided health insurance to workers and their families (wives and children) and employment guarantees to all workers.

**6.7.5**

Work accidents are recorded using the Lost Time Accident (LTA) listed in the Accident Statistic PT Sedjahtera Indo Agro Period 2022 document for January – December 2022, which among others explains the number of accident cases, the number of days lost, Frequency Rate (FR) and Severity Rate (SR), among others as follows:

UNIT	TOTAL WORKER	WORK HOUR	CASE	FR	SR
West Estate	337	705,068	Zero Accident	-	-
East Estate	408	859,614	Zero Accident	-	-
Mill	114	149,145	Zero Accident	-	-

From the document above, the company has also carried out an investigation into work accidents that occurred as well as processing claims.

**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 certification unit has procedure for setting up an early warning system that explain about the emphasis on mechanical and biological control, but using beneficial plants (*Turnera subulata*, *Cassia cobanensis*, and *Antigonon leptopus*) to anticipate fire caterpillars, as well as installation and monitoring of barn owl box to anticipate rat attacks. The procedure also sets an economic threshold for each pest and disease, that chemical control is only carried out if the attack is above the economic threshold.

The unit of certification has conducted regular pest and disease censuses. For example, for the results of the East Estate census, it is known that during the period January – December 2022, there were no caterpillar attacks that exceeded the threshold. The results of the rat census in April 2023, it is known that there were no attacks above the threshold. Based on field observations, both in West and East Estate did not find any rats or caterpillar attacks.

The same results were shown by the results of the disease census where there were no signs of disease attack in either the estate plantations.

**7.1.2**

The certification unit explained that biological control of Leaf Eater Caterpillar uses beneficial plants such as *Turnera subulata*, *Casia*

cobanensis, and *Antigonon leptopus*. Based on field observations showed that the beneficial plants had been well cared for. The unit of certification also develops Owls as natural predators of Rats.

According to Centre for Agriculture and Bioscience International (CABI), several invasive species used for pest management in PT Sedjahtera Indo Agro are *Turnera subulata*, *Casia cobanensis*, *Antigonon leptopus* and *Tyto alba* were not classified as invasive in Indonesia, as refers to *PermenLHK No. 94 in 2019*.

**7.1.3**

Based on the results of interviews with company management, it is known that the company has never used fire to control pests and diseases. Pest and disease control in the company only uses biological and chemical if it is above the set threshold.

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, interviews, and field observations during the onsite audit, it is known that the certification unit already has justification for the application of pesticides in the West Estate and East Pesticide List document. The document provides information including active ingredients, pesticide class according to WHO, registration number and distribution permit, LD50 content, and specific weeds to be targeted. For example, the herbicide Supremo 480 SL, with the active ingredient Iso Propylamine Glyphosate 480 g/l, with the WHO class II classification category, with register number RI.01010120093354, the permit period is until May 5, 2024, specific for broad and narrow leaf weeds.

**7.2.2 and 7.2.3**

The company shows records of pesticide use as follows: for example,

**East Estate**

Active Ingredients	Unit	2021	2022
<i>Triclopyr</i>	Liter	7	0
<i>Glyphosate</i>	Liter	2.693,61	2.385,46
<i>Metsulfuron Methyl</i>	Kg	46,07	0

Based on the review of pesticide use documents, it is known that there has been a reduction in the use of pesticides such as Triclopyr and Glyphosate. Based on the results of a review of pesticide use documents and field visits to the East and West Estate, it is known that the company has utilized beneficial plants and natural enemies of pests as a method of reducing pesticide use.

Based on document review, interviews, and field observations during the onsite audit, it is known that the certification unit already has justification for the application of pesticides, the certification unit has shown a document listing the pesticides used in the 2022 - 2023 period. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The examples of pesticides used are Supremo 480 AS with the active ingredient *Glyphosate*; LD50 (mg/kg) 2,000; RI registration number RI. 01030120083087 valid until April 28, 2028, WHO class II, pesticides targeting broad leaf weed and narrow leaf weed with dose 0.17 – 0.70 L/Ha.

Based on the explanation above, it can be concluded that the company already has records of pesticide use and its reduction to a certain extent by substituting environmentally friendly materials/using biological agents for plant maintenance.

**7.2.4**

Based on the review of pesticide use documents, interviews with company management and results of field visits. It is known that the company does not use pesticides preventively to prevent pests and diseases. Pest and disease control is only carried out based on census results. If it is known that the census results exceed the threshold, then control is carried out.

**7.2.5**

Based on interviews with management representatives, it was found that there was no use of pesticides which included pure WHO Class 1A and 1B pesticides, or included in the Stockholm/Rotterdam convention, as well as paraquat. Based on interviews with management representatives revealed that if the results of the rat pest census were above the threshold, the certification unit would

use rodenticides which is categorized as class III as a control measure.

Based on field observations at West and East Estate for circle and path spraying activity, it was found that the ingredients used were glyphosate and methyl metsulfuron which were not included in WHO class 1a and 1b pesticides, or in the Stockholm/Rotterdam convention and also to the chemical storage it is known that there is no use of pesticides that are included in the World Health Organization (WHO) Class 1A or 1B list or included in the Stockholm or Rotterdam Conventions, as well as paraquat.

#### **7.2.6**

Based on document verification of pesticides list used by the certification unit, it is known that the certification unit does not use pesticides with the active ingredient paraquat. However, the certification unit still provides training to workers as a regular update on workers' knowledge. The training activity was carried out on March 7, 2023, located at West Estate. The training activities provided include environmental and occupational health and safety policies, MSDS of pesticides (Agrochemicals) used, prohibition of handling pesticides and their applications (pregnant and lactating women), not spraying in HCV areas and water bodies, how to handle emergency situations, handling pesticide packaging (waste), hazardous and toxic materials) and separation of organic, non-organic and hazardous and toxic materials waste. This activity was attended by 18 participants.

Based on interviews with pesticide applicator known that the certification unit always provided training on the use and handling of pesticides at work. Based on field observations in the chemical warehouse show that the certification unit has provided MSDS in understandable language. In addition, during the spraying activity the field foreman also carries an MSDS as a guide in case of work accidents (poisoning). The certification unit also conducts risk analysis in applying pesticides and considerations on product labels. Including the application of spray PPE according to the MSDS, namely masks, face shields, rubber gloves, aprons, and boots.

#### **7.2.7**

Based on field observations to the pesticide warehouse of the West and East Estate, it is known that the pesticides have been stored neatly separately from other materials. According previous assessment OFI, the warehouse has been equipped with MSDS available in Bahasa Indonesia, emergency response facilities, adequate ventilation, and is locked because the area is limited.

#### **7.2.8**

Based on field observations at the Chemical Warehouse, as well as interviews with operators at each Plantation and Factory, it is known that containers of used pesticides will be stored in temporary shelters for Hazardous and Toxic waste which are built taking into account OHS and environmental aspects. The water used for rinsing will be reused as mixing water for chemical activities.

Based on the results of a field visit to the employee housing area, it was found that there were no traces of pesticide packaging that was reused, for example as a water reservoir or flower pot.

#### **7.2.9**

Based on field observations and interviews with company representatives, it is known that pesticide application is not carried out by air. Pesticide application using a sprayer, according to the results of the pest and disease census.

#### **7.2.10**

The company has a plan for medical examinations for all employees which is contained in the document Letter of Application for periodic medical examinations to the Board of Directors with letter number 054/KM-TKE/SA/I/2023 dated 23 January 2023. This document informs the plan for carrying out periodic and special medical examinations for all employees.

For the inspection for the period 2021 - 2022, which was conducted on December 29, 2021 - January 12, 2022, the inspection record explains that there were (number) employees who were examined, and from the results of the inspection, there were no employees with health problems.

For the 2023 examination period in collaboration with the Thamrin Clinical Laboratory, it was carried out on January 24-27, 2023, for 184 employees and February 8, 2023, for 13 employees with good results and fit for work.

#### **7.2.11**

The certification unit has a safe pesticide use procedure which explains the prohibition on mixing and applying pesticides to female

workers who are pregnant or breastfeeding. To ensure that no female employees are pregnant, the certification unit routinely conducts periodic tests every month at the certification unit clinic. Pregnancy checks were carried out for fertilizer and spray officers and female warehouse workers.

Based on field observations and document verification, it is known that a total of 15 spray workers in the West Estate and 18 personnel in the East Estate. Which there are female employees in the spray team. Based on interviews with the foreman and spray employees revealed that female employees were not pregnant or breastfeeding.

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 shows identification of waste sources for the 2021/2022 period with details: ex sacks of fertilizer, inner plastic of fertilizer sack, used oil from generator, used neon/lights, wastewater, EFB, Shell, fiber, domestic waste, paper and others.

Sources of emissions include:

- CO2 Gas: Transportation of FFB, CPO Shipping, Operation of heavy equipment, operation of generator & electric pumps, management of WTP, boilers, laboratory activities, waste ponds and Mill processes.
- Gas NO2 & SO2: Activities in the laboratory.
- Gas CH4: Fertilizing activities and WWTP ponds.

**Hazardous and Toxic Waste**

In managing hazardous and toxic waste, the company does not reuse it but only does temporary storage. The company also has a legal hazardous waste storage area based on the Temporary Storage Permit for Hazardous and Toxic Waste for PT SIA based on the Decree of the DPMPSTSP of Sanggau Regency Number 503/005/LB3/DPMPSTSP/2020 dated 29 May 2020 and is valid until 29 May 2025. The permit refers to the Recommendation Letter from the Environmental Office of Sanggau Regency number 658.31/200/DLH-A dated 20 May 2020 which located in coordinates 00° 16' 12" N dan 110° 29' 00,8" E.

The results of field visits to the hazardous waste storage warehouses in Bukit Ajong POM and West Estate also show that the company has managed the hazardous waste quite well. All obligations stated in the waste storage permit have been fulfilled, such as the availability of fire extinguishers, showers, eyewash, coordinates, alarms, first aid kits, oil traps and appropriate labelling. In addition to adequate lighting and air ventilation, the company also has drainage channels on the outside of the warehouse to anticipate pollution to the surrounding environment. The results of interviews with the warehouse manager also show that the manager has fully understood the SOP for hazardous waste management and mitigation measures in the event of potential pollution.

**Solid Waste**

The solid waste produced by the company is shell, fiber and EFB. The management plan is carried out by reusing solid waste such as shells and fiber to be reused as boiler fuel. Meanwhile, solid waste such as EFB is reused by applying it to plantation areas.

**POME**

The liquid waste generated from the factory is reused for Land Applications. Before being channelled to the Land Application, liquid waste is first managed at the WWTP with the aim that the quality of the liquid waste flowing to the Land Application is in accordance with the provisions.

**Domestic Waste**

Domestic waste generated from housing and offices will be disposed of in Landfills.

Based on document verification and field observation results, the following evidence is obtained:

**Hazardous and Toxic Waste and Domestic Waste**

- The SOP for Hazardous and Non-hazardous Waste Management with Other SOP Number dated 08 June 2009 explained that

the management of B3 waste, such as used oil containers and chemical packaging, is by collecting the hazardous waste in warehouses. In addition, the management of domestic waste or waste is carried out by separating organic and non-organic waste and then collecting each in the trash.

- Based on the results of field observations in the Bukit Ajong Factory WWTP pond area, it is known that there are 4 pcs of used oil containers, piles of domestic waste (organic and inorganic), and used domestic waste incineration around the WWTP close to the former contractor's hut. Apart from that, there are also 1 pcs of used drums and 4 pcs of used oil containers in the WWTP pool area.
- Based on the results of field observations at the cleaning warehouse for East Estate spray workers, it is known that there is a pile of domestic waste behind the warehouse.
- Based on the results of field observations at the East Estate employee housing, it is known that there are traces of burning domestic waste in the housing area.

**POME and EFB**

- The SOP for Management and Monitoring of Liquid Waste with Document Number BAF/SOP.ESH/19 dated 25 September 2019 and the Minamas Agricultural Reference Manual document explains that management of Liquid Waste/POME is by treating and disposing of solid sludge.
- The results of observations in the Bukit Ajong Factory WWTP area show that ponds 1-4 have merged into one pond and ponds 5 and 6 have also merged into one pond. Besides that, pond 6 is full and there is overflowing of liquid waste out of the pool in front of the operator's control room.
- Observation results of the Division 5 East Estate Land Application area show that there is liquid waste that is not applied to the specified flat bed. In addition, there is liquid waste that has entered the ditch around the front of the Bukit Ajong Factory.
- The results of field observations in the empty bunch area (EBA) and around the WWTP pool found that there was a pool of leachate in the empty bunch piles. In addition, there is also leachate in the piles of jangkos beside the former iron warehouse in the east estate workshop area which has entered the ditch.

Based on this evidence, the Certification Unit has not been able to show evidence that the implementation of waste management has complied with the procedures in place to prevent pollution. **NCR 2023.12 with Major Category.**

**7.3.2**

Based on interviews with the Manager and managers of the West and East Estate Hazardous Waste Warehouses, it is known that they understand the handling of waste disposal, especially hazardous waste and domestic waste and the management of hazardous waste in accordance with procedures owned by the company. The results of interviews with workers who live in the company area also have an understanding of the company's waste management procedures.

**7.3.3**

The company does not carry out open burning for the management of domestic waste or hazardous and toxic waste according to its SOP. The results of observations in landfills and storage areas for hazardous and toxic materials show that there are no traces of waste burning carried out by the company.

7.3.1	Status: NCR 2023.12 with Major Category.	
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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 and 7.4.3**

Procedure (SOP) of soil fertility management is presented in document policy No. 110/EST-ARM/13 Part 8 about manuring. The SOP mentioned that manuring recommendation must be based on leaf and soil sampling analysis.

Based on the document review, it is known that the company has applied fertilizer according to the recommendations, for example fertilizing in East Estate Division 6 using NK fertilizer (36,390 kg) in December 2022 at a dose of 2.50 kg/tree.

Apart from using chemical fertilizers, the company also applies EFB and Treated Effluent to Land Application as fertilizer to increase soil fertility, for example in West Estate as much as 131 Tons of EFB and Treated Effluent to Land Application until December 2022 as much as 65,799 M3 which has been applied to land.

**7.4.2**

There are records of periodic analysis of leaf and soil samples to monitor and manage changes in soil fertility and plant health, which are described as follows:

**Soil Analysis Results**

The soil sampling unit (SSU) shows semi-detailed soil surveys for the 2017–2022 period. Among the parameters analyzed are pH, texture, CEC, C, N, C/N ratio, available P, and soil nutrient content.

**Leaf Analysis Results**

**West Estate**

Leaf Analysis in the Plant Tissue Analysis Test Report published by Minamas Research Center Teluk Siak for West Estate Number P178/2022, dated September 21, 2022. For example, there are 14 samples for Division 1. The parameters analyzed are, which consist of elements such as Ash, N, P, K, Ca, B, and Mg.

**East Estate**

Leaf Analysis in the Plant Tissue Analysis Test Report published by Minamas Research Center Teluk Siak for East Estate Number P176/2022, dated September 21, 2022. For example, there are 21 samples in Division 2. The parameters analyzed are, which consist of elements such as Ash, N, P, K, Ca, B, and Mg.

**7.4.4**

The certification unit has recorded inorganic fertilization fertilizing well during 2022 and recorded it in the fertilization month report. Fertilization Recommendation and Realization Report for the period January – December 2022 in East Estate as follows:

No	Fertilizer Type	Recommendation		Realization	
		Kg	Area	Kg	Area
1	NK	677.138	3,278.94	676.213	3,278.94

Based on the results of field visits in block S803 Division VIII East Estate, it is known that the planting area and plants are in a well-maintained and well-maintained condition.

**Status: Comply**

**7.5**

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

**7.5.1**

Based on a semi-detailed soil survey PT Sedjahtera Indo Agro period 2017 – 2022 in Assessment on Semi Detail Soil Survey and Land Suitability for Oil Palm Plan at PT SIA in PT Sedjahtera Indo Agro date of Report – February 2017, it was informed that the company's soil classifications, namely *Entic Haplorthod*, *Typic Hapludult*, *Typic Kandudult*, *Aquic Palehumult*, *Aquic Paleudult* and *Typic Paleudult* so that no peat soil classification was found.

The topographic conditions at PT Sedjahtera Indo Agro are based a map of the slope class of PT SIA's oil palm plantation with a scale of 1:80,000 printed on February 2017, also published by PT Minamas Research Center. The information as follows:

SLOPE CLASS (°)	DESCRIPTION	AREA (Ha)
0-2	Flat	964.01
2-6	Undulating	671.78
6-12	Rolling	2,180.97
12-20	Hilly	1,815.49
20-25	Somewhat Steep	745.67
20-25	Steep	10.13
>25	Very Steep	0
Total		6,388.05

Based on field observations in the undulating area of Block S802 Division 8 East Estate, it is known that erosion mitigation efforts are carried out by arranging the transverse midrib and Nephrolepis at the crossroads. Based on field observations, no oil palm plantations

were found on steep slopes.

The company has topographic maps and land surveys in the management of planting areas. This information is used by the company in planning for oil palm plantation development such as the construction of roads, bridges, ditches and other infrastructure.

**7.5.2 and 7.5.3**

Based on verification document of the long-term plan and the latest area statement as well as interviews with the management revealed that the unit of certification is not currently carrying out replanting's or has plans to carry out 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 – 7.6.3**

Based on a semi-detailed soil survey PT Sedjahtera Indo Agro period 2017 – 2022 in Assessment on Semi Detail Soil Survey and Land Suitability for Oil Palm Plan at PT SIA in PT Sedjahtera Indo Agro date of Report – February 2017, it was informed that the company's soil classifications, namely *Entic Haplorthod*, *Typic Hapludult*, *Typic Kandudult*, *Aquic Palehumult*, *Aquic Paleudult* and *Typic Paleudult* so that no peat soil classification was found.

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Total		6,388.05

Based on field observations in the undulating area of Block S802 Division 8 East Estate, it is known that erosion mitigation efforts are carried out by arranging the transverse midrib and Nephrolepis at the crossroads. Based on field observations, no oil palm plantations were found on steep slopes.

The company has topographic maps and land surveys in the management of planting areas. This information is used by the company in planning for oil palm plantation development such as the construction of roads, bridges, ditches and other infrastructure.

**Status: Comply**

**7.7**

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

**7.7.1 – 7.7.7**

Based on the ANDAL document approved in accordance with the Letter of the Minister of Agriculture number 016/ANDAL/RKL-RPL/VIII/1997 dated August 19, 1997, that in PT SIA's plantation area there is no peat soil type. Classification of soil types in PT SIA's plantation area includes alluvial gleik, district cambisol, humic podzolic, kandik podzolic and haplic podzolic.

Based on a semi-detailed soil survey PT Sedjahtera Indo Agro period 2017 – 2022 in Assessment on Semi Detail Soil Survey and Land Suitability for Oil Palm Plan at PT SIA in PT Sedjahtera Indo Agro date of Report – February 2017, it was informed that the company's soil classifications, namely *Entic Haplorthod*, *Typic Hapludult*, *Typic Kandudult*, *Aquic Palehumult*, *Aquic Paleudult* and *Typic Paleudult* so that no peat soil classification was found.

**Status: Comply**

**7.8**

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

**7.8.1**

The company has implemented a water management plan consisting of:

- Do not apply chemicals in river border areas.
- Not disposing of liquid waste into rivers but reusing it on plantation land. Before being used, liquid waste is first managed at the WWTP so that its quality meets the standards set by the government.
- Utilizing water for factory processing in accordance with the standards set by the company.
- Conduct river water quality testing.

Based on field observations through the HCV area of the Sengoret River Block A703, it can be seen that the company has managed the water source by installing signs with signboards as HCV areas and marking on palm trees as spray boundary signs.

The company has a surface water quality monitoring program conducted every semester by a KAN-accredited laboratory (LP-171-IDN) on December 30, 2022. The monitoring locations are the Rerang River, Sekurai River, Emsabal River, Sengoret River, Belida River and Krumai River. Currently the company is conducting surface water testing using quality standards that refer to PP No. 22 of 2021 class II.

Based on the results of testing the quality of surface water and clean water, it is known that all test parameters are in accordance with the quality standards stipulated in PP No. 22 of 2021 (surface water) and Permenkes 32 of 2017. In addition, as a form of preventive action in environmental management and monitoring to prevent and reduce the concentration of parameters that do not comply with quality standards, the company has ensured best practices in waste management by how to ensure that no waste spills over to the environmental agency directly, ensuring that domestic liquid waste is managed by providing septic tanks and several management activities in accordance with the company's management plan.

The results of observations and interviews with workers note that the company has also provided access to clean water to workers by providing hygienic water for drinking and water for daily needs.

**7.8.2**

Wet streams in company areas are protected by the company. This is evidenced by the results of field observations in the HCV area of the Sengoret River Block A703, it is known that the riverbank is protected by the company. Some of the activities carried out by the company are installing signs as limits for chemical application and planting teak, mahogany, etc. In addition, there are no traces of chemical application on the riverbank.

**7.8.3**

Companies can show documents on the results of measuring the quality of liquid waste applied to land, namely documents on the results of testing liquid waste for the period January 2022 - February 2023 and RKL-RPL Reports for semesters 1 and 2 of 2022. 28 of 2003. Based on the results of the analysis of the test documents, it shows that all the parameters tested are in accordance with the applicable quality standards. As an example of the results of the wastewater quality test in the period January 2023 the BOD was 158 mg/L (BM: ≤5,000 mg/L), the pH was 8.10 (BM: 6-9), and the COD was 684 mg/L (BM: -). Whereas for the February 2023 period the BOD was 92.7 mg/L (BM: ≤5,000 mg/L), the pH was 8.26 (BM: 6-9), and the COD was 429 (BM: -).

Based on the results of a field visit to Division 5's land application, the company has utilized the liquid waste in a location that is in accordance with the permit it has.

**7.8.4**

Companies can show records of water use for the January-December 2022 period with details of:

- Processed FFB of 128,538.93 tons
- The use of water for the Process is 128,742 M3 (1.01 M3/Ton FFB).
- Water use budget of 1.26 m3/ton FFB.

Based on the verification of water use, it is known that the company's use of water is still below the budget set by the company.

**Status: Comply**



**7.9**

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

**7.9.1**

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

The company has energy efficiency documents for the period May 2022 - April 2023 for the use of fossil fuels or the use of renewable fuels. The calculation of efficiency using fossil fuels for the January-December 2022 period is concluded as follows: Processed FFB of 118,280.21 Tons using renewable fuels such as shells of 7,096.80 Tons and Fiber of 13,797.67 Tons. The turbine produced from the use of Shell and Fiber is 5,644,330 Kwh or 47.72 Kwh/Ton FFB, while the generator used is 1,588,030 Kwh. The efficiency of renewable energy used by the company is 80%.

**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 minimize GHG emissions.**

**7.10.1**

CH has conducted GHG emission calculations period 2021 Using Calculator Palm GHG version 4.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 4.1) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied "Apply full version".

Based on document verification, the following evidence was obtained:

- The Unit of Certification has calculated GHG emissions through the PalmGHG Calculator for the 2022 period. Based on the verification of the PalmGHG Calculator, the following evidence was obtained:

Unit	TBS Supply (Ton)	Total Area (Ha)	Planted Area (Ha)	HCV (Ha)	Planting Years
East Estate	2,529.22	213.37	197.53	15.84	99 & 09
West Estate	8,350.96	1,186.62	1,181.13	5.49	97, 98, 2017, 2019
East Plasma	48,117.20	1,956	1,956	-	98, 99, 2003, 2004
West Plasma	27,905.12	2,315	2,315	-	97, 98, 2020, 2021, 2022, 2023
East Estate Non RSPO	20,182.04	3,376.41	3,080.02	296.39	99, 2003, 2004, 2008, 2007, 2017, 2016, 2018, 2019
West Estate Non RSPO	20,819.34	1,764.98	1,761.5	3.48	97, 98, 2016, 2017

- Based on the verification of the areal statement documents and FFB production for the January-December 2022 period, the following information was obtained:

Unit	TBS Supply (Ton)	Total Area (Ha)	Planted Area (Ha)	HCV (Ha)	Tahun Tanam
East Estate	2,529.22	2,665.48	709.80	312.23	99, 2003, 2004, 2016, 2017, 2018, 2019
West Estate	8,350.96	4,562.30	2,462.30	8.97	97, 98, 2016, 2017, 2018, 2019
East Plasma	47,399.96	1,956	1,956	-	99, 98, 2003, 2004

West Plasma	27,331.62	2,315	2,315	-	97, 98, 2020, 2021, 2022
East Estate Non RSPO	20,182.04	489	-	-	-
West Estate Non RSPO	20,189.34	1,281	-	-	-
KUD Sepadan Jaya	516.17	480	-	-	-

Based on the two tables above, there are data differences between the PalmGHG calculation data and actual conditions, such as:

- FFB Supply in East Plasma and West Plasma units.
- Total Area in East Estate, West Estate, East Estate Non RSPO, West Estate Non RSPO units.
- Planted areas in the East Estate and West Estate units.
- HCV areas in East Estate, West Estate, East Estate Non RSPO, West Estate Non RSPO units.
- Distribution of planting years for East Estate, West Estate, East Plasma and West Plasma units.
- KUD Sepadan Jaya has not been included in the PalmGHG calculations.

Based on this evidence, the Unit of Certification has not been able to show evidence that the calculation of GHG emissions for the 2022 period through PalmGHG is in accordance with actual conditions. **NCR No 2023.13 with Major Category**

### 7.10.2

The Unit of Certification did not carry out any new development after 2014, based on the verification of the area statement documents it is known that the planting activities were between 1997 and 2004. However, the company has carried out GHG management by conducting an inventory of emission sources. Companies can show identification documents for activities that produce emissions for the 2022 period for Factories and Plantations. This is done to estimate the carbon stock in the management area along with the potential sources of emissions that can occur directly as a result of the management, and a plan to minimize these emissions is developed and implemented. The plan made by the unit of certification has determined what actions will be taken to reduce GHG emissions, for example adopting good low emission management practices for mills such as better management of POME, efficient boilers and others. Likewise for the scope of plantations such as optimal use of fertilizers, energy-efficient transportation, good water management, application of compost and restoration of peatlands and conservation areas. This criterion includes plantations, mill activities, roads and other infrastructure (including canals and access roads and outer boundaries).

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, carrying out maintenance on operational equipment on a regular basis, and utilizing POME in Land Applications. Companies can show records of GHG mitigation for Estate and Mill units, for example the use of fertilizers according to the dosage, routine maintenance of operational vehicles, socialization on the prohibition of burning waste, application of efficient use of electricity and integrated pest control to minimize the use of pesticides as well as activities for planting local forestry plants in river border areas.

### 7.10.3

Based on document review and interviews with company representatives, it is known that there are no new developments. The company has identified pollution sources at POM and Estate, the document informs sources (stations/activities), sources of pollution and emissions, impacts (humans, work equipment, environment) and impact control. For example, from the boiler it produces boiler ash, steam and chemical pollution, from the engine room it produces pollution in the form of noise.

Efforts to reduce pollutants carried out by companies include:

- Monitor air quality and emissions from boilers and generators
- Manage liquid waste in WWTP before being used in plantations
- Perform regular machine maintenance.
- Optimizing the use of fertilizer according to recommendations
- Use of fibres and shells in PKS to reduce diesel.

The company has conducted emission tests from boilers and generators, as well as ambient air quality which will be carried out in semester 2 of 2022 by a KAN-accredited laboratory (LP-171-IDN). Based on the results of the document review, it is known that the results of the tests carried out are in accordance with the provisions stipulated by the Government.	
7.10.1	Status: NCR No 2023.13 with Major Category
<b>7.11</b> <b>Fire is not used for preparing land and is prevented in the managed area.</b>	
<b>7.11.1</b> The unit of certification can show the SOP for prevention and control of land fires in the document SOP No. 7311/GPI/11 dated 10 February 2011. The scope of the SOP includes planning, prevention, control, post-fire management and reporting and coordination of firefighting work. This guideline covers fire prevention procedures (team, training, equipment, mapping of water sources, fire hazard maps, fire hazard warning signs, monitoring and supervision counselling, as well as a zero burning policy for LC and replanting implementation), fire prevention procedures such as identification of fire locations, resource utilization, team mobilization, fire suppression, coordination with the local government and evaluation; Post-fire handling (rehabilitation and law enforcement processes), fire reporting to relevant agencies.  Based on the results of field observations in the West Estate replanting area, information was obtained that there were no signs of former land clearing by burning. All land clearing activities were carried out mechanically. Based on interviews with management and the Environmental Agency, it was also stated that the company is committed not to use fire for land clearing.	
<b>7.11.2</b> In determining actions to prevent and control land fires, the company carries out several activities, namely: <ul style="list-style-type: none"> <li>• Fire emergency response simulation training for employees, for example on March 15, 2023, which was attended by the Estate and Factory Fire Task Force.</li> <li>• The company has an emergency response team to handle fire emergencies. The company has an emergency response team for each estate and factory.</li> <li>• Have emergency response facilities and infrastructure for prevention and control of land fires.</li> <li>• Conduct socialization of land fires to the surrounding community, for example, which was carried out on July 2, 2022.</li> <li>• Monitoring land fires through daily fire patrols. For example, the results of monitoring fires for the period March 2023 found that there were no hotspots in the company's area.</li> </ul> <p>The auditor team has also conducted a fire control simulation on the fire task force team at the East Estate and tested the company's fire control facilities and infrastructure. The simulation results show that the Company's fire task force team can carry out the simulation properly and that firefighting equipment can be used at any time. Based on the simulation results of land fire equipment at the West Estate it is known that there is equipment that is not optimal, the company can show monitoring records of this equipment. The company has the opportunity to ensure that monitoring of fire control equipment facilities and infrastructure is carried out effectively.(OFI)</p>	
<b>7.11.3</b> The company has also involved stakeholders in adjoining locations for fire prevention and control measures by socializing land fire control to the community and employees, for example on 02 July 2022. The results of interviews with representatives of the Hibun Village community revealed that the company had socialized fire control to the community. Apart from that, in the company area there is also a signboard prohibiting land burning activities and the danger of land fires.	
	Status: Comply
<b>7.12</b> <b>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.</b>	
<b>7.12.1 &amp; 7.12.8</b> Based on management information and a review of the area statement, it was found that there was no new land clearing or expansion of the plantation operational area after November 2005. The results of interviews with management and the area statement documents show that land clearing was carried out between 1997 and 2004. Based on this information, it can be concluded that the RACP procedure does not apply. Sime Darby Plantation Bhd sent a liability disclosure including a LUCA analysis to the RSPO Secretariat on 2 December 2014 and the 2nd revision on 24 June 2016, in the document stating that PT SIA has no obligation to undertake LUCA	

review, remediation and compensation.

### 7.12.2

The first land clearing was carried out from 1997 to 2004 and there was no new land clearing activity until the recertification audit was carried out, based on this, the company had no obligation to conduct a High Carbon Stock (HCS) study. The company has conducted an HCV assessment by Aksenta using the 2003 toolkit. The HCV assessment was carried out for the entire scope of PT SIA (West Estate, East Estate and Sei Mawang Estate). The total scope of the HCV study area is **±14,000 Ha** (referring to the Location Permit) with a total identified HCV area of **2,683.23 Ha**. HCV assessment through stakeholder consultation conducted in August 2009. Stakeholders present included West Estate field staff and Associated smallholders; East Estate field staff and Associated smallholders, cooperative administrators, Kampung Villagers, Kopar Villagers, Dosan Villagers, Engkalit residents and Sei Mawang Estate field staff. The following is the area data from the results of the HCV study, including:

HCV Class	HCV type	East Estate	West Estate	Sei Mawang	Total (Ha)
HCV 4	<i>Area Hutan Slope &gt; 30%</i>	884.6	0	310	1,194.6
HCV 4	<i>Sempadan Sungai</i>	237.2	350	295.2	882.4
HCV 4	<i>Rawa tergenang</i>	17.79	312.9	101.5	432.19
HCV 6	<i>Tembawang</i>	3.82	29.1	0	32.92
HCV 4	<i>Mata air</i>	5.5	0	0	5.5
HCV 5 and 6	<i>Enclave</i>	69	0	57.2	126.2
HCV 5	<i>Kerangas</i>	9.4	0	0	9.4
HCV 6	<i>Tempat keramat (batu Pedagi)</i>	0.02	0	0	0.02
<b>TOTAL</b>		<b>1,227.33</b>	<b>692</b>	<b>763.9</b>	<b>2,683.23</b>

Most of these indicative HCV areas are outside the HGU, especially those in Sei Mawang Estate which are entirely outside the HGU. The total area of the HCV areas cannot be compared with the area of the HGU because the basic maps of the plantations are not available, so it is not known exactly how much is really the responsibility of the company's management. The proportion of this area is actually a natural buffer, to ensure the ongoing production processes of the estate, as well as the process of production and social reproduction of the people around it, or in other words as a buffer to ensure the achievement of sustainability (from the environmental/natural aspect).

The auditor has also verified OFI in the previous assessment, the results of the auditor's verification found that the company has determined a definitive area of HCV based on recommendations from an indicative study by Aksenta PT SIA in April 2022. From this study the area designated by the company as HCV and can be managed by the company is **321.20 Ha**. This is because other HCV areas are community-owned land that cannot be fully managed. In addition, not all of the total HCV areas are included in the scope of certification.

### 7.12.3

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

### 7.12.4

The company already has an HCV management and monitoring plan for 2018-2022 which is the result of an evaluation and review in the previous period which was conducted on January 5, 2022. The HCV program will be evaluated every year. The plan contains management plans, monitoring, timelines and the person in charge of implementation. The HCV management matrix explains that the management plan consists of:

- Conduct routine monitoring to monitor the level of threats and threats to protected animals
- Maintenance of signboards and HCV area boundary markers
- Conducting surveys in areas close to river banks
- Conduct special surveys for annual biodiversity monitoring
- Outreach to workers and the surrounding community.

The implementation of HCV management and monitoring for 2022 is carried out in accordance with the 2020-2021 HCV Management Plan where the timing and intensity of implementation are also appropriate, which can be shown based on the following documents:

- Socialization of the HCV area to East Estate employees on November 19, 2022.
- Socialization of the HCV area to West Estate employees on November 21, 2022.

- HCV area outreach to the community on 02 July 2022.
- Monitoring the results of the rehabilitation of the HCV area for the entire scope of the East Estate which was carried out on the banks of the Sekurai River and the Krumai River on December 16, 2022.
- Monitoring the results of the rehabilitation of the HCV area for the entire scope of the West Estate which was carried out on the banks of the Ensabal River and Sengoret River on December 10, 2022.
- Report on the results of the Rapid Survey Biodiversity for the 2022 period which was conducted on September 14, 2022.

Based on document verification, the following evidence was obtained:

- The company has determined a definitive area of HCV area that has been identified by the Head of SOU 15 in April 2022. The document explains that not all HCV areas identified in the HCV assessment can be managed by the company. The HCV area that can be managed by the company is 321.20 Ha.
- The company has conducted a Management Plan Review for the 2018-2022 period which was carried out on January 5, 2022 involving the head of Dosan Village. From the results of the review, there was a reduction in the HCV area from 2,031.7 Ha to 321.20 Ha. The HCV management plan document describes the plan and realization of the HCV activities carried out. However, the management plan has not explained the basis for calculating HCV reduction, mitigation efforts so that the remaining HCV areas are not reduced again, maintenance plans, affected stakeholders, and identification of risks that threaten the existence of HCV areas.

Based on this evidence, the Company has not been able to show evidence that the HCV Management Plan Review that has been carried out has been carried out thoroughly on the actual condition of the HCV area so that it can be protected and enhanced. **NCR No 2023.14 with Major Category.**

#### **7.12.5**

The company has identified the needs of the community and the areas needed by affected communities to meet their basic needs, taking into account the potential for positive and negative changes in their livelihoods as a result of the company's operational activities. This can be proven by the large area of HCV 5 and 6 at PT SIA in the form of rice fields, Tembawang forests, and sacred sites used as places of worship for indigenous peoples who live around the company area. The company has identified and carried out activities to minimize the risks and impacts both for the community and for the environment, for example by providing regular outreach to workers and the community not to apply chemicals to river riparian areas to avoid pollution, not to clear land by burning, and so on.

The unit of certification has also considered various land management and tenure options to protect HCV areas in a way that also protects the rights and livelihoods of local communities. Because the area managed by the company contains quite a large area of HCV and most of it belongs to the community, the potential level of conflict between HCV areas and the community is quite high. However, PT. SIA has respected these forms of community land management. The potential threat to community land is relatively small unless there is a change in company policy. Regarding land tenure by the community in areas that have been designated as PT SIA's HCV areas, the company does not intervene in these areas, the management of the HCV areas is limited to monitoring flora and fauna where the activities have also been agreed upon by both parties. The main activity of the local population that has threatened biodiversity is the use of wild animals that are very unwise. They have long had a habit of hunting animals. Currently, the company does not take action if people are found to be hunting, but let it go because this activity is part of the culture and customs of that community.

The auditor has also verified OFI in the previous assessment, the results of the auditor's verification found that the company has determined a definitive area of HCV based on recommendations from an indicative study by Aksenta PT SIA in April 2022. From this study the area designated by the company as HCV and can be managed by the company is 321.20 Ha. This is because other HCV areas are community-owned land that cannot be fully managed. In addition, not all of the total HCV areas are included in the scope of certification. In determining the definitive HCV area determined by the company, the company also involves the community, such as the customary council, Dosan Hamlet, and Meringin Jaya Village.

#### **7.12.6**

The company has a program to educate the workforce about RTE species status. The program is also included in the Company's HCV management plan. The program includes activities to increase knowledge and skills (for all staff and plantation employees, especially special officers in charge of managing HCV/HCV and monitoring important species, especially endangered species.

The company routinely conducts outreach to the community and workers in the company regarding the existence of endangered plants and animals, which is carried out simultaneously with the socialization of HCV areas, for example:

- Socialization of HCV areas to East Estate employees on 19 November 2022.
- Socialization of HCV areas to West Estate employees on 21 November 2022.
- Socialization of HCV areas to the community on 02 July 2022.

Based on the results of interviews with the Head of Hibun Village and employees, they also stated that they knew about the conservation and protection of HCV areas and the prohibition against hunting, logging and burning forests. Respondents added that apart from direct outreach, the company also installed warning boards or signboards marking HCV areas and prohibitions on environmental destruction, which were forms of indirect socialization. Based on this explanation, it can be concluded that the company already has a plan and evidence of the implementation of socialization and is known by the surrounding community.

**7.12.7**

Monitoring of HCV areas in the 2022 period is carried out periodically every month to ensure the safety of the area. Monitoring activities were carried out in several riparian locations of the Rerang River, Sekurai River, Emsabal River, Sengoret River, Belida River and Krumai River as well as the entire Tembawang Forest HCV area. This monitoring is carried out to see the progress of HCV management results from the initial stage to the current condition. The company also monitors the diversity of flora and fauna which is routinely carried out every month by showing the results of HCV monitoring which was carried out in the period January - December 2022. The results of fauna observations in the plantation area still found several protected species that are classified as protected according to IUCN, CITES and PermenLHK Number 106 of 2018.

The company also conducts annual monitoring and evaluation for the management of HCV areas where this activity aims to identify risks and impacts on conservation areas and improve protection efforts. The company also carries out follow-up improvements to the HCV area management plan which is made annually.

<b>7.12.4</b>	<b>Status: NCR No 2023.14 with Major Category</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>	The unit of certification does not use RSPO 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>	The unit of certification does not use RSPO 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>	The unit of certification does not use RSPO 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>	The unit of certification does not use RSPO logo.	√
	<b>Status: Comply</b>	

**3.3 Summary of RSPO Partial Certification.**

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

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

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><i>Company Group/Holding Statement:</i> The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia.</p> <p><i>Auditor Verification:</i> Internal Audit report available for uncertified management unit.</p>
2.1.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><i>Company Group/Holding Statement:</i> No replacement of primary forest or HCV or no new planting after Jan 1st 2010 for all uncertified units except for PT Sime Indo Agro, Bukit Ajong Mill East* Estate /Sei Mawang Estate which is currently under RaCP. LUCA submitted and currently under review process by appointed reviewer by RSPO.</p> <p><i>Auditor Verification:</i> Sime Darby Plantation Berhad sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> revision on 24 June 2016. Current status of LUCA report of SDP Bhd is having been sent the</p>



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

NCR No.	: 2022.1	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 March 2022	Time Limit	: Next Surveillance
NC Grade	: Minor/Noncritical	Date of Closing	: 18 May 2023
Standard Ref. & Requirement	<b>2.2.2</b> <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>		
<b>Evidence observed (filled by auditor):</b>  The company shows a Heavy Equipment Rental Agreement with CV. Botuh Ntugu listed in SPK No. 01/BAF-SWAB/LOK/II/2022 and SPK No. 02/BAF-SWAB/LOK/II/2022 on 3 January 2022 for Excavator and Loader rental. In point 8 of the document it is explained that: <ul style="list-style-type: none"> <li>• The second party (contractor) will be responsible for providing PPE to maintain the safety of the workforce, in order to avoid hazards that may occur when carrying out work.</li> <li>• The second party (contractor) must provide Social Security Agency on Health for their workers.</li> </ul> However, based on the results of interviews with contractor workers, information was obtained that workers bought PPE (shoes) at their own expense and the shoes were in damaged condition. Workers are also not registered for the Social Security Agency on Health program by the contractor. In addition, workers also do not have an Operational Permit.			
<b>Non-Conformance Description (filled by auditor):</b> There is not yet sufficient evidence that third parties have fulfilled relevant legal obligations, such as but not limited to PPE, Social Security Agency, operator license, Wages, and others.			
<b>Root Cause Analysis (filled by organization audited):</b> In general, these contractors are local contractors who lack knowledge regarding regulations regarding contractor obligations that apply in Indonesia. Even though the work agreement already requires that contractors must comply with the regulations in question, the company itself does not yet have a monitoring mechanism for compliance with regulations by contractors.			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• The company provides assistance in the process of managing compliance with these regulations, the company has also shown some evidence related to regulatory compliance documents such as Social Security Agency on Health and Employment on behalf of Basianus Beng, Salary Slips on behalf of Basianus Beng.</li> <li>• The company gives a letter of reprimand to the contractor</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• The company appoints a PIC to monitor compliance with contractor regulations.</li> <li>• The company makes a tender mechanism for contractors before cooperating with the company</li> </ul>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> The company shows repair documents such as: <ul style="list-style-type: none"> <li>• Proof of payment for Social Security Agency on Labor and Health for the April 2023 period</li> <li>• Demonstrate an evaluation of regulatory compliance against CV. Botuh Ntugu</li> <li>• Regulatory compliance mechanisms</li> </ul> The company has shown several pieces of evidence related to regulatory compliance documents such as Social Security Agency on Health and Employment on behalf of Basianus Beng, Salary Slips on behalf of Basianus Beng.			

Based on the above, it is stated that the discrepancy in this indicator has been fulfilled

**Verified by** : **Kiki Fadli**

<b>NCR No.</b>	: 2022.2	<b>Issued by</b>	: Rizliani Aprianita Hasibuan
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: 24 June 2022
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 6 July 2022
<b>Standard Ref. &amp; Requirement</b>	<b>2.3.1</b> <b>For all directly sourced FFB, Palm Oil Mill (POM) requires:</b> <ul style="list-style-type: none"> <li>• Information regarding the geolocation of FFB origins;</li> <li>• Proof of ownership status, right/claim of the land by grower/smallholder;</li> <li>• If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</li> </ul>		
<b>Evidence observed (filled by auditor):</b> Based on the results of interviews with weighbridge operators and verification of Weighing Ticket documents, for example No. 517018 and 516945 it is known that the unit of certification also receives FFB from direct suppliers, namely from KUD Sepadan Jaya.			
<b>Non-Conformance Description (filled by auditor):</b> However, the unit of certification has not been able to show evidence in the form of information regarding the geolocation of the FFB origin and evidence of land ownership.			
<b>Root Cause Analysis (filled by organization audited):</b> The geolocation map available at the associated smallholder office is in the form of a hard copy of one sheet so that when it is searched, the geolocation data is tucked away in a document in one file. The KUD Sepadan Jaya does not yet have a SHM, and as proof of land ownership the unit of certification shows proof of a statement of ownership signed by the village head concerned. The certificate process is currently waiting for the results of the updated internal RAT (Annual Membership Meeting) from the KUD to decide on HGU or SHM.			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Shows geolocation map (attached file: KUD SJ Geolocation Map).</li> <li>- Show proof of land ownership in the form of definitive land determination which is known by the village head of Sei Mawang, attached with an official report document (attached file: Determination of definitive location for associated smallholder plantations).</li> <li>- Show a statement of ownership signed by the village head concerned.</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> All documents related to legality and associated smallholder will be periodically checked and verified by the PIC, in this case the Associated smallholder staff.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification April 11, 2022.</b> The unit of certification shows evidence of improvement in the form of: <ul style="list-style-type: none"> <li>- Minutes of determining the definitive location of the Sepadan Jaya KUD Associated smallholder Plantation.</li> <li>- Sepadan Jaya KUD geolocation information which consists of 6 locations/blocks.</li> </ul> Based on the explanation regarding the root cause, correction and corrective actions submitted, the NC is declared Unfulfilled.			
<b>Verification April 25, 2022.</b> The unit of certification shows evidence of improvement in the form of: <ul style="list-style-type: none"> <li>- Document for Dusun Semajau Village Payment for 16 land owners. The document describes the payment of cash for 70% of the land.</li> <li>- Dusun Nyandang Village Payment Document for 69 land owners. The document describes the payment of cash for 70% of the land.</li> <li>- Minutes of determining the definitive location of the Sepadan Jaya KUD Associated smallholder Plantation. The document</li> </ul>			

describes the determination of the location of the associated smallholder plantations, the determination of boundaries and the handover of associated smallholder management previously carried out by the unit of certification to the KUD Sepadan Jaya which was signed by representatives of the unit of certification, KUD and the Village Head of Sei Mawang.

Based on the interview with the related PIC, information was obtained that the previous management of the KUD Sepadan Jaya was based on a location permit. The ratio of the KUD area to the own area is 30% for KUD and the own area is 70%. In the procedural payment document, it is stated that the compensation/slaughter is only made for an area of 70% of the total land area given (only for the own estate). In an email dated April 11, 2022, the Associated smallholder Manager explained that KUD Sepadan Jaya does not yet have a HGU or SHM.

Based on the explanation regarding the root cause, correction and corrective actions submitted, the NC is declared Unfulfilled.

**Verification on June 13, 2022**

The unit of certification shows evidence of improvement in the form of:

- Minutes of Measurement of the Handover of the Family's Main Land dated September 10, 2007 and Statement Letter of Land surrender dated March 25, 2008 for an area of 1.7 Ha
- Minutes of Measurement of the Handover of the Family's Main Land dated September 10, 2007 and Statement Letter of Land Transfer dated March 25, 2008 for an area of 2.04 Ha
- Minutes of Measurement of the Handover of the Family's Main Land dated September 10, 2007 and Statement Letter of Land Transfer dated March 25, 2008 for an area of 8.19 Ha
- Minutes of Measurement of the Handover of the Family's Main Land on December 30, 2007 for an area of 3.2 Ha
- Minutes of Measurement of the Handover of the Family's Main Land on September 10, 2007 for an area of 1.42 Ha
- Minutes of Measurement of the Handover of the Family's Main Land on May 22, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on May 9, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on May 10, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on June 6, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on June 2, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on May 17, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on May 15, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on June 12, 2006
- Minutes of Measurement of the Handover of the Family's Main Land on August 20, 2006
- MoU KUD Sepadan Jaya with PT SIA
- Letter of Agreement on Land Transfer and Release of Land Rights for Participation in PT SIA Pola Inti Associated smallholder's Palm Oil Plantation Development Project

Based on the explanation regarding the root cause, correction and corrective actions submitted, the NC is declared Unfulfilled.

**Verification on June 27, 2022**

The unit of certification shows evidence of improvement in the form of:

- Letter of Statement of Land Ownership of KUD Sepadan Jaya dated December 12, 2012 which was signed by the Head of KUD. In the letter it was explained that land ownership was recognized by custom and was owned for generations and belonged to the community as many as 422 people.
- Details of the list of farmers of KUD Sepadan Jaya with a total of 422 farmers with a land area of 480.18 Ha with details as follows :

Block	(Ha)
08S801	86.43
07N706	38.39
08N807	18.14
07N708	101.77
07N709	76.35
07N710	111.46
08N811	47.64
<b>Total</b>	<b>480.18</b>

When compared with the previous evidence of improvement (In the document for Determining the Definitive Location of

Associated smallholder Estates), there are only 6 blocks of associated smallholder locations that provide coordinates, including:

Block	(Ha)	X	Y
08S801	87.00	110,542201	0,151996
07N706	37.98	110,564767	0,196206
08N807	20.40	110,56699	0,201217
07N708	101.89	110,564042	0,182436
07N709	74.55	110,561186	0,188868
07N710	110.70	110,556896	0,180016
Total	432.52	-	-

There is no coordinates for associated smallholder in block 08N811

Beside that, based on the explanation regarding the root cause, correction and corrective actions submitted, the NC is declared Unfulfilled.

**Verification on June 6, 2022**

The unit of certification shows evidence of improvement in the form of:

- Land ownership statement for KUD Sepadan Jaya dated June 29, 2022, signed by the Sungai Mawang Customary Chief and the local Village Head. In the letter it was explained that land ownership was recognized by custom and was owned for generations and belonged to the community as many as 422 people.
- Documentation of signing the Land Owner's Statement dated June 29, 2022.
- Application Letter for Approval to Increase the Sei Mawang Estate Associated smallholder Area of PT SIA covering an area of 47.66 Ha on November 15, 2012, and has been approved by the Management of PT SIA on December 24, 2012.
- PT SIA Associated smallholder Land Geolocation Identification Program on July 6, 2022 which is planned to be completed in December 2022.

Based on the explanation above, the discrepancy is declared Fulfilled and will be re-observed at the next assessment (Closed with observation).

**Verified by** : Rizliani Aprianita Hsb

NCR No.	: 2022.3	Issued by	: Rizliani Aprianita Hasibuan
Date Issued	: 26 March 2022	Time Limit	: Next Assessment
NC Grade	: Minor/Noncritical	Date of Closing	: 13 Agustus 2022
Standard Ref. & Requirement	<b>3.2.2</b> As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.		
<b>Evidence observed (filled by auditor):</b> The company shows an annual report document using the RSPO Metric Template. However, there are still data that are not suitable, such as production area for the west estate, production area, data on the production of certified CPO which are not suitable and others.			
<b>Non-Conformance Description (filled by auditor):</b> The annual report using the RSPO Metric Template has not been presented accurately.			
<b>Root Cause Analysis (filled by organization audited):</b> An error occurred when inputting data, this was because the PIC was filling in the template matrix for the first time, so he did not know how to fill in the template matrix correctly, so when inputting a filling error occurred, such as copying some data from another template area when sending it to the auditor.			
<b>Correction (filled by organization audited):</b> The company has sent a template matrix that has been improved and is in accordance with the area of each estate and mill, as well as accurate certified and non-certified CPO production data.			
<b>Corrective Action (filled by organization audited):</b> To prevent mistakes from happening again, the PIC has been guided by the supervisor to fill in and is verified by the supervisor every time he sends data that is known to the Estate and Mill in advance so that there are no data errors when presenting the annual report using the template matrix.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor verification dated August 13, 2022</b> The company has shown evidence of improvement in the form of metric templates that are in accordance with actual data such as data on production, production area, HCV area and others.  Based on the explanation above, NC is declared Fulfilled.			
Verified by	: Rizliani A Hsb		

NCR No.	: 2022.4	Issued by	: Arief Tajalli
Date Issued	: 26 March 2022	Time Limit	: 24 June 2022
NC Grade	: Major	Date of Closing	: 13 June 2022
Standard Ref. & Requirement	3.4.3 The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.		
<b>Evidence observed (filled by auditor):</b>  Based on the results of document verification, interviews and field observations, the following information was obtained: <b>Environmental Impact Assessment (EIA)</b> <ul style="list-style-type: none"> <li>The results of the review of the RKL-RPL document for Semesters 1 and 2 of 2021, it is known that the unit of certification has carried out an evaluation related to the management that has been carried out, but there are no components related to the evaluation of trends, critical levels and compliance as stipulated in the guidelines for the preparation of the RKL-RPL document, namely PermenLH number 45 of 2005.</li> <li>The results of the review of the RKL-RPL document for Semesters 1 and 2 of 2021 also do not contain information regarding the total area that is actually managed by the unit of certification which is the reference in the preparation of the document.</li> </ul> <b>Sosial Impact Assessment (SIA)</b> <ul style="list-style-type: none"> <li>Based on the results of field observations in the HCV area, information was obtained that the unit of certification could not fully manage the HCV area it owned because most of the HCV area was community land. The results of interviews with management also stated that management was not carried out to avoid misunderstandings from the land owner because it would lead to the perception that the land would be claimed by the unit of certification. However, the unit of certification has not been able to show evidence of the results of mediation and communication activities to follow up on these social issues.</li> <li>The unit of certification has not been able to show evidence that all of the Negative Impact Management Programs Based on the 2010 SIA Report for the period 2020-2022 have been implemented.</li> <li>The unit of certification has not been able to show the SIA Management Results Report document for the period 2021, where the document is evidence that the SIA program has been implemented, has been monitored and updated.</li> </ul> <b>Non-Conformance Description (filled by auditor):</b>  Based on the evidence obtained, it is concluded that the unit of certification has not prepared an RKL-RPL report document in accordance with PermenLH number 45 of 2005 and has developed a comprehensive and comprehensive social monitoring and management activity related to the potential social risks and impacts that have been identified and documented in the SIA Management Report.			
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>The PIC who made the RKL RPL was wrong in following the updated draft sample report, because he was new in making the RKL RPL. And there is no SIA report that is summarized in one document, because usually it only attaches a Summary of SIA activities.</li> <li>The management of HCV which is an area obtained by the unit of certification should be the responsibility of the unit of certification to manage it in order to ensure the sustainability of the biodiversity, social and cultural values in it, but in this case, it is not managed by the unit of certification so that there are no misunderstandings or alleged claims by the community. To follow up on this, the unit of certification on April 4, 2022 tried to mediate and re-socialize to the community about how actually HCV should be managed so that the condition of biodiversity, social and cultural values contained in it is maintained through HCV management activities carried out by the unit of certification and with the support of the community as well so that currently it has been agreed and determined through the mediation.</li> </ul>			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>The unit of certification has made an RKL RPL document in accordance with PermenLH number 45 of 2005 and developed a</li> </ul>			



comprehensive and comprehensive social monitoring and management activity related to the identified social risks and impacts and documented it in the SIA Management Report.

- The unit of certification also shows evidence of the realization of the SIA program for the 2020-2021 period, there are also several programs implemented which include empowering human resources (HR) to local wisdom, providing scholarship opportunities for the sons and daughters of the community around the unit of certification who excel, repairing roads, community development on the dangers of land fires, as well as socialization of HCV so that the community also understands the purpose of preserving natural habitats, both historically valuable things and the flora and fauna that exist around the unit of certification, then for the realization of the SIA 2020-2021 program has also been compiled in the attached report.

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

- Provide training to PICs who make RKL-RPL documents, and verify in advance the RKL-RPL reports by the SQM department team, so that there are no more mistakes in making draft reports. The unit of certification will also provide draft reports for SIA.
- As a corrective action taken to ensure the monitoring of negative social impacts at PT. SIA will carry out the program that has been prepared in the SIA 2020-2022 program which of course will be carried out an annual review by the unit of certification and the affected community.

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

**Auditor Verification April 7, 2022:**

- The unit of certification has updated the RKL-RPL document for Semester 2 of 2021 which refers to PermenLH number 45 of 2005 and has provided information regarding the total area that is actually managed by the unit of certification which is the reference in the preparation of the document.
- The unit of certification sent a document on the realization of the PT SIA negative impact program in 2021. However, the document has not been able to answer all the findings related to SIA.

**Auditor Verification dated 17 May 2022:**

The unit of certification has sent several additional repair documents, including:

- Minutes of mediation conducted to the community to make a mutual agreement in managing and protecting the conservation of protected areas and preservation of tembawang which was carried out on April 7, 2022. Based on this evidence it has been accepted but further observations are needed to ensure that the socialization provided has covered all relevant parties, especially associated smallholder members.
- The unit of certification has sent the 2021 SIA program realization document and the initial Social Impact Assessment document. Based on these documents, it can be shown that the unit of certification has carried out all the planned programs.
- The unit of certification has sent the updated RKL-RPL document for Semester 2 of 2021, based on the document, the field findings have been fulfilled. However, in this case, further observations need to be made to ensure consistency in filling out the RKL-RPL documents.

Based on the explanation above, it can be concluded that the **non-conformity has been Closed** with observation.

**Verified by** : **Arief Tajalli**

<b>NCR No.</b>	: 2022.5	<b>Issued by</b>	: Rizliani Aprianita Hasibuan
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: Next Assessment
<b>NC Grade</b>	: Minor/Noncritical	<b>Date of Closing</b>	: 18 Mei 2023
<b>Standard Ref. &amp; Requirement</b>	<b>3.7.3</b> <b>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</b>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>The company shows the SCCS refresh training recording on June 14, 2021. The socialization record includes minutes of events and photos of the activity implementation.</li> <li>The results of interviews with weighing operators obtained information that the source of FFB came from certified and non-certified nuclei and PT SIA's plasma with RSPO certified status originating from KUD Himado and KUD Sepadan Jaya.</li> <li>The results of management interviews and document verification found that KUD Sepadan Jaya was not RSPO-certified plasma.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> There is not yet sufficient evidence that all personnel related to the supply chain have been given training that is specific and in accordance with the tasks being carried out.			
<b>Root Cause Analysis (filled by organization audited):</b> The training conducted by the company is only one way without any feedback from the training participants whether they understand or not.  Response : Is the root of the problem only related to feedback from the training participants? Has the previous training explained which areas are certified and non certified? The previous training was held in 2021. Meanwhile, the SOU chairman's memo regarding certified and non-certified blocks was issued on August 31, 2022.  The 2021 training that was carried out used the previous SOU chairperson's memo, as also stated that the August 31, 2022 memo was an update where the fields containing Certified and UnCertified Blocks were declared as Uncertified blocks. This is what makes the updated Memo now used as the basis for Training in 2022.  Response May 4, 2023 "The 2021 training that was conducted used the memo of the previous SOU chairman, as was also stated that the memo dated August 31, 2022 was an update..." why has the previous memo not/incorrectly identified which blocks are certified and which are non-certified? Does the PIC that determines/identifies the certified and non-certified blocks not understand which blocks are certified and non-certified? Who is the PIC? The new memo dated August 31, 2022 is a memo for improvement.  In order to be analyzed again what is the root cause of the emergence of this NC. Not only was there no feedback from the training participants.			
<b>Correction (filled by organization audited):</b> Conduct specific retraining of workers according to their job descriptions.  Response May 4, 2023. The improvements made are also adjusted to the root cause analysis/remediation of the root of the problem.			
<b>Corrective Action (filled by organization audited):</b> Each SCCS training will be carried out with a Pre Test first to find out or measure the insights of the training participants so that during the training they will be more focused on things that are not understood, especially the relation between this SCCS and their Job Desc, and during the training it is carried out in two directions such as giving training participants the opportunity to provide questions			

or responses related to the training. And after the training is finished, a Post Test will be carried out to ensure that the information conveyed has been understood by the Training participants.

**Assessor Evaluation and Conclusion** (filled by auditor):**Verification date April 27, 2023**

The company shows evidence of improvement in the form of:

- Minutes of the Bukit Ajong Factory supply chain training event September 3 – 5 2022 for 17 participants with details of 3 staff, 8 grading officers, 2 weighing operators, 1 dispatch operator and 1 production clerk □ There is no absence of anyone who attended/participated in the training.
- SCCS pretest training on 3 September 2022 with details of 1 section chief, 8 grading officers, 2 weigh operators, 2 security guards, 1 without position description.
- Results of the SCCS post test training on September 5 2022 with details of 8 grading officers, 1 grading foreman, 1 production clerk, 1 driver, 1 grading clerk, 1 weighing operator and 1 dispatch operator.
- Auditors' response :
- Has the company identified any PICs related to supplychain who need training? who are they?
- In addition, there are differences in training participants in the training minutes, pretest training and post test training.
- The Corrective and Corrective actions described have the same points, namely conducting a pretest and posttest (to be corrected). Correction is an improvement, while Corrective action is an action to prevent it from recurring.
- Company Response.
- The company has identified who should be involved, but not limited to the Head of Case, Production Clerk, and Weighing Operator, we also involve the Grading Team, Security, and Logistics Drivers because they also often interact with FFB suppliers.
- The Pre Test and Post Test given are samples, Attached are the other Pre Test and Post Test. for the previous minutes of the event, it was combined between giving Pre Test Test sheets and Training Activities.
- Correction and Corrective have been improved.

Based on the explanation above, NC is still open

**Verify May 4, 2023**

The company shows evidence of improvement in the form of:

- Attendance list for the meeting on 5 September 2022 which was attended by 20 participants consisting of 8 grading officers, 1 production clerk, 1 BAF section chief, 1 grading foreman, 1 grading clerk, 2 weigh operators, 1 dispatch operator, 2 security guards, 1 SQM, 1 assistant BAF and 1 driver. Who provides the training? To provide information. Because in the minutes there is no information on who provided the training.
- BA training on 5 September 2022 which was attended by 20 participants. Besides that, why was the training minutes sent previously different from the BA sent on April 30, 2023? BA previously informed that September 3-5 would be attended by 17 participants. BA last informed that September 5 would be attended by 20 participants. Who provides the training? To provide information. Because in the minutes there is no information on who provided the training.
- BA submission of pretest papers.

In addition, other Pre-test and Post-test evidence has not been shown/submitted according to the statement given.

**Company Response May 5, 2023**

- Those who provide training are SQM staff
- BAs previously sent were training BAs which were combined, namely when giving the Pre Test Form on the 3rd and during the activities on the 5th as well as carrying out the Post Test after the Training
- In the first BA Security and Driver Logistics have not been included in the BA (Missing)
- We will send back the unsent Pretest and Post Test Papers

Based on the explanation above, NC is still open.

**Verification date May 18, 2023**

The company shows evidence of improvement in the form of:

- Evidence of implementation of the SCCS Pre Test Training on September 3, 2022.
- Evidence of implementation of the SCCS Post Test Training on September 5, 2022.

Based on the evidence of this improvement, the discrepancies have been met and will be confirmed again regarding the understanding of the PIC supply chain in the next assessment (closed with observation).

**Verified by** : Rizliani Aprianita Hasibuan/Sabiah Dhiningtyas Utami

<b>NCR No.</b>	: 2022.6	<b>Issued by</b>	: Rizliani Aprianita Hasibuan
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: 24 June 2022
<b>NC Grade</b>	: Major/Critical	<b>Date of Closing</b>	: 22 June 2022
<b>Standard Ref. &amp; Requirement</b>	3.8.7 <b>Purchasing and Goods in</b> i. The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received. ii. The mill shall inform the CB immediately if there is a projected overproduction of certified volume. iii. The mill shall have a mechanism in place for handling of non-conforming FFB and/or documents		

**Evidence observed (filled by auditor):**

- The results of interviews with weighing operators obtained information that the source of FFB came from certified and non-certified nuclei and Scheme smallholders with RSPO certified status originating from KUD Himado and KUD Sepadan Jaya.
- From the results of visits to the weighbridge, it is known that there is information on certified blocks that are displayed in the weighbridge room.
- Results of interviews with management found that the RSPO-certified plasma was KUD Himado (the entire area is RSPO-certified).
- The results of interviews with the PIC in charge of plasma and verification of plasma area documents show that the total area of certified plasma (KUD Himado) is 4,288.64 Ha, with details of 2,332.64 Ha plasma West and 1,956 Ha Plasma East. The certified plasma area is 4,271 Ha. Thus, there is an area (difference) of 17.64 Ha whose FFB is claimed to be certified FFB.
- Results of interviews with management revealed that the plasma that was not RSPO certified was KUD Sepadan Jaya.
- Results of review of weigh ticket documents, it is known that there are non-certified FFB which are claimed to be certified FFB, such as:
  - Ticket weigh No. 517719 originating from block B802 (West Estate) claimed to be certified FFB marked with the stamp of RSPO certified.
  - Ticket weigh No. 518572 originating from KUD Sepadan Jaya claimed to be certified FFB marked with a stamp of RSPO certified.

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

The company has not been able to show evidence that the verification and recording of tonnage amounts and sources for certified FFB, and total tonnage for uncertified FFB have been carried out accurately.

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

There was a misunderstanding in the verbal submission which was aimed at reminding the weighing operator for the RSPO and Non-RSPO fields. Then, for the difference in hectares of 17.64 ha, it is excess land that is returned to the farmers. Attached (File: Description of More Hectares.pdf) page 2.

Auditors' response

- In order to explain what kind of misunderstanding caused the non-conformity to occur  
A misunderstanding of the meaning of mentioning the initials of KUD Sepadan Jaya = Plasma Sei Mawang. Where, Inti Sei Mawang did join Inti East, however, his Plasma did not join. So that the Sei Mawang plasma / KUD SJ are not included in the scope of the RSPO such as East Plasma / Himado KUD. PIC was given another understanding during the SCCS training.
- There are also uncertified core blocks does the related PIC know which blocks/areas are certified and which blocks/areas are uncertified?  
PIC has re-understood the Certified and Uncertified blocks where during the socialization of the SOU chairperson's memo, it was stated that other than the blocks listed above were Non-Certified. and the PICs were given a copy of the Memo.
- Does the PIC in charge of plasma know that the area of certified plasma is 4,271 Ha? Considering that at the time of the audit, the PIC in charge of plasma informed that the total area of certified plasma (KUD Himado) was 4,288.64 Ha.  
When explaining in the field the PIC did not understand, explaining that 4,288.64 hectares was a certified HGU and there were further documents regarding land handover. So that the area of Certified RSPO Plasma is 4,271 ha which at the time the PIC did not explain this.

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

- The KUD Himado RSPO certified area is 4,271 ha. The remaining hectare of 17.64 hectares is excess land that has been returned to the community and is fully managed by the community after the approval of the return of the land. ( Attached file : Description of More Acres.pdf ) page 2.

The area of field B802 is 110.02 ha where within the area there are certified and non-certified small blocks

- KUD Sepadan Jaya is not a certified area.

Auditors' response

- There are also uncertified core blocks does the related PIC know which blocks/areas are certified and which blocks/areas are uncertified?  
PIC has re-understood the Certified and Uncertified blocks where during the socialization of the SOU chairperson's memo, it was stated that other than the blocks listed above were Non-Certified. and the PICs were given a copy of the Memo.
- Does the PIC in charge of plasma know that the area of certified plasma is 4,271 Ha? Considering that at the time of the audit, the PIC in charge of plasma informed that the total area of certified plasma (KUD Himado) was 4,288.64 Ha.
- When explaining in the field the PIC did not understand, explaining that 4,288.64 hectares was a certified HGU and there were further documents regarding land handover. So that the area of Certified RSPO Plasma is 4,271 ha which at the time the PIC did not explain this. And the Plasma PIC has been re-understood regarding the Scope of the Plasma RSPO Certification.
- The area of field B802 is 110.02 ha where within that area there are small blocks that are certified and not certified how to ensure the separation of certified and non-certified FFB in 1 block/field? so that further evidence is shown.
- At the time of separation it can be seen from the small blocks, where in Block B802 it consists of several small blocks, and can be seen from the harvest rotation, but to make it easier for traceability so that there is no chance for a mistake in recording Certified and non-certified during harvest in that field, then the company decides that the Fields contained within the Certified and Non Certified blocks will be declared as Non RSPO Blocks.
- To provide proof that the tonnage and source for certified FFB and the tonnage for non-certified FFB have been accurately recorded in accordance with the NC.
- To facilitate verification, the company can see the production results per field that is connected to the same weight, so that the tonnage of the certified and non-certified fields can be accurately recorded, as recorded in the basic info.

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

- To avoid difficulties in identifying certified and non-certified fruit in a field where there are small blocks with certified and non-certified status, FFB from fields with such criteria will be declared as non-certified FFB. So that it can be determined by recording which fields with certified FFB through the SOU chairman's memo (File Attached: SOU Chairperson's Memo).
- In order to support accurate recording of Certified and non-certified FFB production, it will be monitored or verified using connected production data per field from same weight data at weigh stations.
- Refresh training regarding the supply chain from certified and non-certified FFB sources and attaching a memo from the SOU chairman for the determination of FFB from fields that are categorized as certified fields with clear KUD / Plasma names.

**Assessor Evaluation and Conclusion** (filled by auditor):**Verify April 11, 2022**

The company shows evidence of improvement in the form of:

- SCCS training on 13 October 2016 which was attended by 13 participants. Training documentation sent is training in 2016.
- Documents for approval of the completion of the transfer of land for more plasma smallholders at PT SIA on 27 February 2015.
- SOU chairperson's memo 15 dated 31 August 2022 No. 061/PT.SIA-BAF/INT/III/2022 regarding Determination of RSPO/Non-RSPO Areas and Blocks at PT SIA which was signed on 31 March 2022. □ Memo date and memo signing date are not synchronized. The blocks claimed to be RSPO certified include blocks S901, S902 and S905 (East Estate) and blocks B701, C701, B702, B703, A707, A801, A802, A804, A706, B801 and B803 (West Estate) with a total area of 1,181.13 Ha and for the entire KUD Himado is claimed as a certified area.
- Example of SPB from KUD Sepadan Jaya which is claimed to be non-certified.

Please respond to the auditor's response above (yellow highlight) and send further evidence of improvement.

Based on an explanation regarding the root of the problem, corrective actions and corrective actions submitted, the NC is declared Not Completed.

**Verification date April 25, 2022.**

The company shows evidence of improvement in the form of:

- Revision of basic info that informs certified and non-certified FFB production. However, for FFB, the PKS originating from the core has not been separated between certified and non-certified. Mhn Also check for certified and non-certified estate areas for FFB to enter the factory, because there are differences. For example: in the 2020 sheet, the area of TM for east estate certified is 220.65 Ha and TM east estate non-cert is 2,411.94 Ha. Meanwhile, in the FFB table, the East Estate area of TM is 676.91 hectares.
- In addition, the data on total FFB received by factories and processed FFB are different. For example, in 2019, the Actual Production sheet received 172,110.74 tonnes of total FFB, while the FFB Received sheet received 172,156 tonnes of total FFB. There is also a difference in the number of FFB received and processed FFB for the period 2020, 2021. Please double-check the basic information provided as a whole.
- Refresh training on April 2 which was attended by 11 participants.
- Memo of the chairman of SOU 15 dated April 1, 2022 No. 62.1/PT.SIA-BAF/INT/IV/2022 regarding Determination of RSPO/Non-RSPO Areas and blocks at PT SIA which was signed on March 31, 2022. The blocks claimed to be RSPO certified include blocks S901, S902 and S905 (East Estate) and blocks B701, C701, B702, B703, A707, A801, A802, A804, A706, B801 and B803 (West Estate) with a total area of 1,181.13 Ha and all KUD Himado are claimed as certified areas.
- Please also provide evidence from the previous auditor's response to the correction point, namely evidence that the Fields included in the Certified and Non-Certified blocks will be declared as Non-RSPO Blocks □ evidence can be in the form of weighing tickets, SPB and others.

Please respond and correct the auditor's response which has been highlighted in yellow above.

Based on the explanation above, the non-compliance is declared Not Yet Fulfilled.

**Verification on June 13, 2022**

The company shows evidence in the form of:

a. Weigh tickets, including:

- TBS weighing ticket originating from block A803 No. 527523 which is stated as Non RSPO RSPO certified.
- TBS weighing ticket originating from block A803 No. 527524 which is stated as Non RSPO RSPO certified.
- TBS weighing ticket originating from block B806 No. 527526 which is stated as Non RSPO RSPO certified.
- TBS weighing ticket originating from block B804 No. 527514 which is stated as Non RSPO RSPO certified.
- TBS weighing ticket originating from block A803 No. 527490 which is stated as Non RSPO RSPO certified.
- TBS weighing ticket originating from block A804 No. 527661 which is stated as Non RSPO RSPO certified.
- However, they have not been able to show a FFB weigh ticket from block B802 according to the auditor's response that was previously submitted in the correction column.

b. Basic info revision that has been fixed

Please respond and correct the auditor's response which has been highlighted in yellow above.

Based on the explanation above, the non-compliance is declared Not Yet Fulfilled.

**Verification date 22 June 2022**

The company has shown proof of improvement in the form of a weigh ticket from block B802, for example, weigh ticket No. 524496 and 527385 which inform that the FFB originating from the block is a non-RSPO certified block.

Based on this explanation, the non-conformity is declared Fulfilled.

**Verified by** : **Rizliani Aprianita Hsb**

<b>NCR No.</b>	: 2022.7	<b>Issued by</b>	: Rizliani Aprianita Hasibuan
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: 24 June 2022
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 22 June 2022
<b>Standard Ref. &amp; Requirement</b>	<b>3.8.12</b> <b>Record keeping</b> i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock. iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. iv) For Mass Balance Module, the mill: <ol style="list-style-type: none"> <li>Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</li> <li>All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</li> <li>The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)</li> </ol>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>The results of interview with weighing operator obtained information that the source of FFB comes from certified and non-certified own estate and PT SIA associated smallholder with RSPO certified status from KUD Himado and KUD Sepadan Jaya.</li> <li>The results of the visit at the weighbridge, it is known that there has been information related certified blocks that is displayed in the weighbridge room.</li> <li>The results of interviews with management revealed that the associated smallholder certified by RSPO is KUD Himado (all areas are RSPO certified)</li> <li>The results of the interview with the PIC in charge of associated smallholder and verification of associated smallholder area documents revealed that the total area of certified associated smallholder (KUD Himado) is 4,288.64 Ha with details of 2,332.64 Ha associated smallholder West and 1,956 Ha Associated smallholder East. The certified associated smallholder area is 4,271 Ha. Thus, there is an area (difference) of 17.64 Ha whose FFB is claimed as certified FFB.</li> <li>The results of interviews with management revealed that associated smallholder that is not RSPO certified is KUD Sepadan Jaya</li> <li>The results of the review of the weighing ticket document revealed that there are non-certified FFB that are claimed as certified products, such as:               <ul style="list-style-type: none"> <li>Weighing ticket No. 517719 from block B802 (West Estate) is claimed as certified FFB marked with the RSPO certified stamp.</li> <li>Weighing ticket No. 518572 from KUD Sepadan Jaya is claimed as certified FFB marked with the RSPO certified stamp</li> </ul> </li> <li>There are PK certified sales, for example, 1st quarter 2020 of 1,169.73 MT, 2nd quarter of 2020 of 903,720 MT, 3rd quarter of 2020 of 1,103.21 MT. However, there is no sales information on palmtrace. The results of interviews with management and verification of sales documents revealed that there were no RSPO sales for PK during the license period.</li> <li>From the mass balance data, it is known that the CPO stock in the fourth quarter of 2019 to the third quarter of 2021 has a negative CPO stock.</li> <li>Some conventional PK sales values are negative.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The unit of certification has not been able to show that the data recording of FFB receipts and product sales in the SCCS system of the Mass Balance Module has been carried out accurately and completely.			



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

- There was a misunderstanding in verbal for the RSPO and Non RSPO fields. The misunderstanding is due to the KUD Sepadan Jaya which is incorporated in Associated smallholder East but is not a certified area because it is a associated smallholder from Sei Mawang Estate.
- When explaining in the field, the PIC cannot explain further documents regarding the handing over of land back to the community. So that the area of Certified RSPO Associated smallholder is 4,271 ha, where at the time the PIC did not explain about that.
- Lack of accuracy in PIC inputting balance sheet data using templates for other business unit area examples.

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

- The RSPO KUD Himado certified area is 4,271 ha. The difference in hectares of 17.64 hectares is more land that has been returned to the community and is fully managed by the community after the approval of the return of the land. ( Attached file: More Hectare Description.pdf ) page 2.
- Establish a memo from the head of the SOU for the determination of FFB from a field that is categorized as a certified field and inform with a clear KUD / Associated smallholder name.
- Giving understanding to the relevant PIC regarding the Scope of RSPO Associated smallholder Certification as well as the Certified and Uncertified blocks where during the socialization of the memo from the SOU chairman, it was stated that apart from the blocks listed were Non Certified blocks. The PICs are also given a copy of the Memo.
- Revision related to FFB certified and uncertified production.
- Revision related to massbalance sheet.

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

- In order to support accurate recording for certified and non-certified FFB production, it will be monitored or verified using production data per field that has been connected from sime weight data on weighbridges.
- In order to avoid difficulties in identifying certified and uncertified FFB in a field that contains small blocks with certified and uncertified status, FFB from fields with such criteria will be declared as non-certified FFB. So that it can be determined by recording which fields with certified FFB through the memo of the head of the SOU.
- At the time of inputting data into the balance sheet, it must be verified first by the SQM PIC scs staff and the SQM manager.

**Assessor Evaluation and Conclusion (filled by auditor):**
**Verification on April 11, 2022**

The unit of certification shows evidence of improvement in the form of:

- SCCS training on October 13, 2016 which was attended by 13 participants. The training documentation sent is the 2016 training.
- Documents for approval of completion of the handover of excess land of associated smallholder smallholders at PT SIA dated 27 February 2015.
- Memo of the chairman of SOU 15 dated 31 August 2022 No. 061/PT.SIA-BAF/INT/III/2022 regarding RSPO/Non RSPO Territorial and Block Designation in PT SIA which was signed March 31, 2022. The date of the Memo with the date of signing of the memo is out of sync. The blocks claimed to be RSPO certified include blocks S901, S902 and S905 (East Estate) and blocks B701, C701, B702, B703, A707, A801, A802, A804, A706, B801 and B803 (West Estate) with a total area of 1,181, 13 Ha and the entire Himado KUD is claimed as a certified area.
- Example of FFB delivery letter from KUD Sepadan Jaya which is claimed to be non-certified.
- Final Mass Balance sheet with Final Basic Info. There is a difference in CPO sales/delivery between mass balance sheet data and basic info such as the period Jul-Sep 2020, Oct-Dec 2020. There are uncertified CPO shipments whose values are negative.

Beside that, based on the root cause analysys, corrections, and corrective actions that have been sent, nonconformities are declared not fulfilled. Need additional information on the corrective action section.

**Verification on April 25, 2022**

The unit of certification shows evidence of improvement in the form of:

- Revision of basic info that informs certified and non-certified FFB production. However, for FFB entering the Mill originating from the own estate, the certified and non-certified ones have not been separated.
- In addition, from the total data on FFB received by the mill, the data are different. For example in 2019, on the Actual Production sheet for a total of 172.110.74 tons of FFB, while on the FFB Received sheet, the total FFB received 172.156 tons.
- Refresh training on April 2 which was attended by 11 participants.
- Memo of the chairman of SOU 15 dated April 1, 2022 No. 62.1/PT.SIA-BAF/INT/IV/2022 regarding Territorial Determination and RSPO/Non-RSPO blocks at PT SIA signed March 31, 2022. The blocks claimed to be RSPO certified include blocks S901, S902

and S905 (East Estate) and Blocks B701, C701, B702, B703, A707, A801, A802, A804, A706, B801 and B803 (West Estate) with a total area of 1,181.13 Ha and all KUD Himado is claimed as a certified area.

Beside that, based on the root cause analysis, corrections, and corrective actions that have been sent, nonconformities are declared not fulfilled. Need additional information on the corrective action section.

Based on the explanation above, the non-conformance is declared Unfulfilled.

**Verification on June 13, 2022**

The unit of certification shows evidence in the form of:

1. Weighing tickets, including:

- FFB weighing ticket originating from block A803 No. 527523 which is declared as Non RSPO certified.
- FFB weighing ticket originating from block A803 No. 527524 which is declared as Non RSPO certified.
- FFB weighing ticket originating from block B806 No. 527526 which is declared as Non RSPO certified.
- FFB weighing ticket from block B804 No. 527514 which is declared as Non RSPO certified.
- FFB weighing ticket originating from block A803 No. 527490 which is declared as Non RSPO certified.
- FFB weighing ticket from block A804 No. 527661 which is declared as Non RSPO certified.

2. Revised basic info that has been fixed.

3. Revision of Final Mass Balance sheet.

Mass balance data as follows

**FFB**

Months	FFB Received (MT)		Total
	Certified	Non-certified	
Aug-19	11,969.985	3,000.184	14,970.169
Sep-19	11,815.465	3,099.721	14,915.186
Oct-19	10,871.310	3,705.018	14,576.328
Nov-19	9,982.938	3,962.976	13,945.914
Dec-19	8,477.465	2,888.120	11,365.585
<b>TOTAL</b>	<b>53,117.163</b>	<b>16,656.019</b>	<b>69,773.182</b>

Months	FFB Received (MT)		Total
	Certified	Non-certified	
Jan-20	9,293.109	3,604.763	12,897.872
Feb-20	8,368.637	3,525.933	11,894.570
Mar-20	8,097.286	3,617.011	11,714.297
Apr-20	8,921.452	3,905.063	12,826.515
May-20	7,626.776	4,924.539	12,551.315
Jun-20	7,574.673	3,468.710	11,043.383
Jul-20	6,306.397	2,999.863	9,306.260
Aug-20	6,481.711	3,325.278	9,806.989
Sep-20	7,649.381	3,459.522	11,108.903
Oct-20	7,343.616	3,614.697	10,958.313
Nov-20	7,150.993	3,007.138	10,158.131

Dec-20	6,277.692	2,183.938	8,461.630
<b>TOTAL</b>	<b>91,091.723</b>	<b>41,636.455</b>	<b>132,728.178</b>

Months	FFB Received (MT)		Total
	Certified	Non-certified	
Jan-21	6,302.935	2,243.623	8,546.558
Feb-21	7,137.545	3,059.267	10,196.812
Mar-21	8,415.097	3,957.369	12,372.466
Apr-21	8,344.212	3,825.051	12,169.263
May-21	8,047.149	3,320.660	11,367.809
Jun-21	8,378.093	3,639.256	12,017.349
Jul-21	6,886.714	3,435.274	10,321.988
Aug-21	6,144.507	3,391.723	9,536.230
Sep-21	5,170.671	2,807.779	7,978.450
Oct-21	4,851.085	2,854.423	7,705.508
Nov-21	5,930.219	3,575.242	9,505.461
Dec-21	4,831.284	2,793.258	7,624.542
<b>TOTAL</b>	<b>80,439.511</b>	<b>38,902.925</b>	<b>119,342.436</b>

Months	FFB Received (MT)		Total
	Certified	Non-certified	
Jan-22	3,887.830	3,098.689	6,986.519
Feb-22	4,689.700	2,399.306	7,089.006
<b>TOTAL</b>	<b>8,577.530</b>	<b>5,497.995</b>	<b>14,075.525</b>

**CPO Produce & Sales**

Months	CPO Produce (MT)		Total	Sales (MT)		
	Certified	Non-certified		RSPO	Conventional	Total
Opening Stock	2,665.772		2,665.772			
Aug-19	2,643.391	634.549	3,277.940	-	2,499.310	2,499.310
Sep-19	2,660.968	677.184	3,338.152	-	1,500.920	1,500.920
Oct-19	2,397.819	586.637	2,984.456	-	3,169.268	3,169.268
Nov-19	2,188.711	1,122.424	3,311.134	-	3,308.350	3,308.350
Dec-19	1,851.649	603.762	2,455.410	-	5,407.218	5,407.218
<b>TOTAL</b>	<b>14,408.309</b>	<b>3,624.556</b>	<b>18,032.864</b>		<b>15,885.066</b>	<b>15,885.066</b>

Months	CPO Produce (MT)		Total	Sales (MT)		
	Certified	Non-certified		RSPO	Conventional	Total
Opening stock	2,147.798		2,147.798			
Jan-20	2,045.087	789.661	2,834.748	-	3,589.760	3,589.760
Feb-20	1,812.275	787.463	2,599.738	-	2,503.240	2,503.240
Mar-20	1,763.514	793.965	2,557.479	-	3,500.980	3,500.980
Apr-20	1,927.237	793.535	2,720.772	-	2,501.680	2,501.680

May-20	1,570.145	847.091	2,417.236	-	2,985.314	2,985.314
Jun-20	1,571.152	819.912	2,391.064	-	-	-
Jul-20	1,263.012	614.912	1,877.924	-	3,501.000	3,501.000
Aug-20	1,299.567	666.667	1,966.234	-	2,496.750	2,496.750
Sep-20	1,552.003	704.203	2,256.206	-	2,252.250	2,252.250
Oct-20	1,469.149	664.314	2,133.463	-	2,544.440	2,544.440
Nov-20	1,397.678	506.347	1,904.025	-	1,485.902	1,485.902
Dec-20	1,236.369	487.631	1,724.00	-	1,099.463	1,099.463
<b>TOTAL</b>	<b>18,907.190</b>	<b>8,475.699</b>	<b>29,530.687</b>	<b>-</b>	<b>28,460.779</b>	<b>28,460.779</b>

Months	CPO Produce (MT)		Total	Sales (MT)		
	Certified	Non-certified		RSPO	Conventional	Total
Opening stock	1,069.908		1,069.908			
Jan-21	1,155.497	478.225	1,633.722	-	1,743.759	1,743.759
Feb-21	1,425.018	617.787	2,042.805	-	2,252.011	2,252.011
Mar-21	1,741.143	820.787	2,561.930	-	2,503.180	2,503.180
Apr-21	1,764.057	804.052	2,568.109	-	3,193.571	3,193.571
May-21	1,680.988	697.824	2,378.812	-	2,203.860	2,203.860
Jun-21	1,728.680	740.549	2,469.229	-	-	-
Jul-21	1,320.900	670.325	1,991.225	-	2,987.396	2,987.396
Aug-21	1,194.263	620.334	1,814.597	-	2,969.061	2,969.061
Sep-21	1,074.787	612.995	1,687.782	-	2,227.709	2,227.709
Oct-21	1,086.698	641.311	1,728.009	-	249.003	249.003
Nov-21	1,268.851	750.017	2,018.868	-	245.905	245.905
Dec-21	1,043.340	609.187	1,652.527	-	2,985.994	2,985.994
<b>TOTAL</b>	<b>17,554.129</b>	<b>8,063.394</b>	<b>25,617.523</b>	<b>-</b>	<b>23,561.449</b>	<b>23,561.449</b>

Months	CPO Produce (MT)		Total	Sales (MT)		
	Certified	Non-certified		RSPO	Conventional	Total
Opening Stock	2,056.074		2,056.074			
Jan-22	814.420	660.556	1,474.976	-	1,692.670	1,692.670
Feb-22	916.689	430.090	1,346.779	-	1,703.600	1,703.600
<b>TOTAL</b>	<b>3,787.183</b>	<b>1,090.646</b>	<b>4,877.829</b>	<b>-</b>	<b>3,396.270</b>	<b>3,396.270</b>

**PK Produce & Sales**

Months	PK Produce (MT)		Total	Sales (MT)		
	Certified	Non-certified		RSPO	Conventional	Total
Opening stock	2,731.539		2,731.539			
Aug-19	745.971	179.071	925.043	-	1,503.870	1,503.870
Sep-19	695.386	176.967	872.354	-	-	-
Oct-19	642.794	157.262	800.056	-	499.760	499.760
Nov-19	479.825	246.066	725.891	-	502.620	502.620

Dec-19	412.868	134.623	547.491	-	1,966.029	1,966.029
<b>TOTAL</b>	<b>5,708.384</b>	<b>893.990</b>	<b>6,602.373</b>	<b>-</b>	<b>4,472.279</b>	<b>4,472.279</b>
Months	PK Produce (MT)		Total	RSPO	Sales (MT)	
	Certified	Non-certified			Conventional	Total
Opening Stock	2,130.094		2,130.094			
Jan-20	446.333	172.341	618.674	-	1,254.261	1,254.261
Feb-20	421.839	183.296	605.135	-	505.680	505.680
Mar-20	444.174	199.975	644.149	-	300.840	300.840
Apr-20	490.778	202.077	692.855	-	904.360	904.360
May-20	413.855	223.274	637.129	-	600.720	600.720
Jun-20	365.136	190.548	555.684	-	704.480	704.480
Jul-20	299.632	145.879	445.511	-	748.600	748.600
Aug-20	317.226	162.734	479.960	-	248.680	248.680
Sep-20	391.900	177.820	569.720	-	250.550	250.550
Oct-20	395.047	178.630	573.677	-	645.480	645.480
Nov-20	380.236	137.751	517.987	-	701.200	701.200
Dec-20	325.837	128.512	454.349	-	682.540	682.540
<b>TOTAL</b>	<b>6,822.087</b>	<b>2,102.837</b>	<b>8,924.924</b>	<b>-</b>	<b>7,547.391</b>	<b>7,547.391</b>
Months	PK Produce (MT)		Total	RSPO	Sales (MT)	
	Certified	Non-certified			Conventional	Total
Opening stock	1,377.533		1,377.533			
Jan-21	277.051	114.663	391.714	-	415.800	415.800
Feb-21	336.154	145.732	481.886	-	229.450	229.450
Mar-21	426.358	200.988	627.346	-	550.090	550.090
Apr-21	376.489	171.603	548.092	-	892.780	892.780
May-21	337.840	140.247	478.087	-	408.440	408.440
Jun-21	373.971	160.206	534.177	-	542.770	542.770
Jul-21	321.111	162.957	484.068	-	349.650	349.650
Aug-21	286.732	148.937	435.669	-	470.410	470.410
Sep-21	242.755	138.453	381.208	-	327.110	327.110
Oct-21	240.620	142.001	382.621	-	403.880	403.880
Nov-21	258.341	152.706	411.047	-	323.350	323.350
Dec-21	204.487	119.396	323.883	-	444.250	444.250
<b>TOTAL</b>	<b>5,059.443</b>	<b>1,797.888</b>	<b>6,857.331</b>	<b>-</b>	<b>5,357.980</b>	<b>5,357.980</b>
Months	PK Produce (MT)		Total	RSPO	Sales (MT)	
	Certified	Non-certified			Conventional	Total
Opening stock	1,499.351		1,499.351			
Jan-22	163.689	132.764	296.453	-	267.290	267.290

Feb-22	196.701	92,288	288.989	-	130.560	130.560
<b>TOTAL</b>	<b>1,859.741</b>	<b>225.052</b>	<b>2,084.793</b>	<b>-</b>	<b>397.850</b>	<b>397.850</b>

Based on the root cause analysis, corrections, and corrective actions that have been sent, nonconformities are declared not fulfilled. Need additional information on the corrective action section.

Based on the explanation above, the non-conformance is declared Unfulfilled.

**Verification on June 22, 2022**

The unit of certification has shown evidence in the form of a weighing ticket from block B802, for example, a weighing ticket No. 524496 and 527385 which inform that the FFB originating from the block is a non-RSPO certified block.

Based on the explanation, the non-conformity is declared Fulfilled.

**Verified by** : **Rizliani A**

<b>NCR No.</b>	<b>: 2022.8</b>	<b>Issued by</b>	<b>: Sabiah Dhiningtyas Utami</b>
<b>Date Issued</b>	<b>: 26 March 2022</b>	<b>Time Limit</b>	<b>: Next Assessment</b>
<b>NC Grade</b>	<b>: Minor/Noncritical</b>	<b>Date of Closing</b>	<b>: 7 Juli 2022</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 6.2.7 Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</b>		
<b>Evidence observed (filled by auditor):</b>			
Based on the results of interviews with management representatives, the company has identified the main types of work according to the Decree of the Indonesian Palm Oil Association (GAPKI) No: SK/002/PPG/II/2013 which stipulates that harvesting and processing fruit into CPO (process) is a type of activity. /The main job. However, based on the results of a review of employee list documents, the company still uses harvest and processing workers with Fixed Period Working Agreement status.			
<b>Bukit Ajong Factory</b>			
In the employee list document for March 2022, there are a total of 103 workers in the BAF unit. Of the total workers, there are 7 Fixed Period Working Agreement process workers. Of the 7 workers, 6 of them will expire on December 31, 2021 so that they have been proposed by the BAF Senior Manager to be appointed as SKU-H employees (PKWTT) based on Inter-Office Mail Number 035/PT.SIA-BAF/INT /XII/2021 on December 11, 2021. As a result of interviews with management, information was obtained that the appointment of Fixed Period Working Agreement factory/process workers in the BAF unit was still in process. However, based on the verification of the Work Agreement (SPK) document, it is known that the 6 workers had renewed Fixed Period Working Agreement on January 21, 2022. For example, worker a.n HT (worker's initials) with Fixed Period Working Agreement Working Agreement No: 03/PT.SIA-BAF/PKWT /I/2022 and Fixed Period Working Agreement Working Agreement a.n D (worker's initials) with No: 02/PT.SIA-BAF/PKWT/I/2022.			
<b>East Estate</b>			
In the employee list document for March 2022, there are a total of 377 workers in the East Estate unit. Of the total workers, there are 17 harvest workers with Fixed Period Working Agreement status. Of the 17 workers, 6 of them have been proposed by the East Estate Manager to be appointed as SKU-H employees (PKWTT) based on Inter-Office Mail Number 008/PT.SIA-ESE/I/2022 on January 8, 2022. Results of interviews with management, Information was obtained that the appointment of Fixed Period Working Agreement process workers in the East Estate unit was still in process. However, the company could not provide sufficient evidence regarding the plan to hire another 11 workers.			
<b>West Estate</b>			
Then, in the employee list document for March 2022 there are a total of 301 workers in the West Estate unit. Of the total workers, there are 45 harvest workers with the Fixed Period Working Agreement class. Of the 45 workers, 10 of them have been proposed by the West Estate Manager to be appointed as SKU-H employees (PKWTT) based on Inter-Office Mail Number 08/PMGR/WSE/I.2022 on 17 January 2022. Until now, the appointment of process workers Fixed Period Working Agreement in the West Estate unit is still in progress. However, the company could not provide sufficient evidence regarding the plans to hire another 35 workers.			
<b>Non-Conformance Description (filled by auditor):</b>			
The company has not been able to provide sufficient evidence that non-permanent workers are limited to temporary or seasonal work.			
<b>Root Cause Analysis (filled by organization audited):</b>			
At that time there was a vacancy in workers due to PKWTT/SKU workers who died or retired, with the urgency of considering the company's urgency that the vacancies must be filled immediately, the company appointed workers in the early stages to become Fixed Period Working Agreement while waiting for the PKWTT appointment process, and also the company wanted to see the potential for their performance or absence when they will be appointed as PKWTT.			
<b>Correction (filled by organization audited):</b>			
The company has submitted Fixed Period Working Agreement workers to be appointed as PKWTT which have been submitted by the operational unit to the management of the company related to the progress of 5 people in BAF who have been appointed to become PKWTT, for East 6 people have been approved, for West it is still in progress.			

- The company has attached a Letter of Appointment for 5 BAF Employees, and for Progress 1 Fixed Period Working Agreement Workers are in the process of submitting an HR ID at the Human Resource Business Partner (HRBP).
- The company has attached the Letter of Appointment of 6 Employees in East Estate and for other Fixed Period Working Agreement is in the process of submitting HR id at Human Resource Business Partner (HRBP).
- The company has attached a Decree of Appointment for 18 people at West Estate and for other Fixed Period Working Agreement is in the process of submitting HR id at Human Resource Business Partner (HRBP).

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

The company has processed the PKWTT appointment of the employee

- For BAF, out of 7 people, 5 people have been appointed as employees as of May 4, 2022.
- 2 other people (Salam as a Logistics employee at Tayan in the application process & 1 employee is also in the process of applying as PKWTT).
- For East 6 PKWTT people have been approved (attached) and 10 more are in the process, while 1 other person has resigned.
- West is still in the process of continuing (45 PKWT people).

In the future, the company will monitor employees who will be employed in core job positions where after a 3-month probationary period and are declared eligible, they will be proposed and appointed as PKWTT/SKU.

The unit monitors using the Performance Evaluation evaluation form objectively which contains the following contents:

- Description History
- Number of Absenteeism: Absenteeism and Permits
- Number of Warning Letters received by Employees
- Evaluation scores assessed by Assistants and Managers with a rating scale of 1-1.55=Very Poor, 1.56-2.55 = Poor, 2.56-3.75= Fair, 3.76-4.75= Good, 4.76-5=Very Good (Points assessed: Ability ; Responsibility; Job Achievement ; Honesty ; Discipline ; Loyalty ; Hard Work ; Sense of Ownership ; Working with Others).

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

**Auditor Verification June 22, 2022:**

The company has explained the root cause analysis and corrective action for non-conformances that have arisen as well as evidence of corrective action in the form of:

- Documents agreeing to appoint workers as PKWTT (SKU), namely 5 people in the BAF unit, 6 people in the East Estate unit and 20 people in the West Estate unit which have been signed by the CEO.
- Approval document for the appointment of harvest PKWT workers to become PKWTT (SKU), namely in the East Estate unit a total of 10 people and in the West Estate unit a total of 25 people who have been approved by the Area Controller.
- Letter of resignation for 1 East Estate harvest worker on April 1, 2022.
- However, the company has not yet informed and demonstrated:
- Evidence of the Appointment Decree for 5 workers in the BAF unit and the progress stages of 1 other PKWT worker.
- Evidence of the Decree of Appointment of 6 harvest workers in the East Estate unit and the progress stages of 10 other PKWT workers.
- Evidence of the progress stages of 45 harvest workers in the West Estate unit.
- Company mechanisms/flows in monitoring employees with core/permanent job positions declared eligible to be appointed as PKWTT (SKU).

Based on root cause analysis, corrections, corrective actions and evidence shown by the company, this discrepancy is declared unfulfilled.

**Auditor Verification June 29, 2022:**

- The company has shown the Decree for the Appointment of 5 workers in the BAF unit which is listed in the Decree document (SK), issued on May 4, 2022, for example SK No. 82/PT.SIA-BAF/V/2022, worker with the initials MH as a mechanical operator. The company has also shown documents on the process of submitting 1 PKWT worker in the BAF unit who is in the process of submitting an appointment to become SKU-H (PKWTT) up to the HR ID stage.
- The company has shown the Decree for the Appointment of 6 harvest workers from PKWT status to SKU-H (PKWTT) in the East



Estate unit listed in the Decree document (SK), issued on May 4, 2022, for example SK No. 097/PT.SIA-ESE/SKV/2022, worker with the initials YG.

- The company has shown documents proposing the appointment of 10 PKWT harvest workers to become SKU-H (PKWTT) in the East Estate unit up to the Manager Unit stage which was approved on April 11, 2022, and the Area Controller (for which there is no approval date).
- The company has shown the SK "Employees with a Probationary Period" for 18 harvest workers in the West Estate unit issued on 4 May 2022, for example SK No. 1/SIA.WSE/PRE-EMP/5.2022, worker with the initial T.
- Please show evidence of improvement according to the auditor's response in the "Correction" column.

Based on root cause analysis, corrections, corrective actions and evidence shown by the company, the BAF unit is acceptable. However, evidence of improvement is still needed for the East Estate and West Estate units. So it can be concluded that this discrepancy has not been fulfilled.

**Auditor Verification July 6, 2022:**

- The company shows the document "Harvest PKWT Timeline to SKU" and the document "Summary of SKU Appointment Process" which was approved by the COO-UI on June 30 2022. The document contains a recap of all harvest workers in the East Estate and West Estate units who have been or in the progress of appointment as permanent workers (SKU/PKWTT).
- The company has shown progress in appointing harvest PKWT in the East Estate unit as many as 10 people which has now been signed by the CEO of the KTB Region.
- The company has shown progress in appointing harvest PKWT in the West Estate unit as many as 27 people which has now been signed by the CEO of the KTB Region.

Based on the correction column and the evidence presented by the company, evidence of improvement is still needed for the East Estate and West Estate units. So it can be concluded that this discrepancy has not been fulfilled.

**Auditor Verification July 7, 2022:**

- The company has shown progress in appointing harvest PKWT in the East Estate unit of 10 people in the West Estate unit of 27 people which has now been signed by the CEO of the KTB Region as of 31 May 2022.
- The company has shown Inter-Office Mail document Number 01/Ast/WSE/03/2022 on March 4, 2022 which explains the status and whereabouts of 2 PKWT harvest workers in Division 1 West Estate who have been absent from work for five days without explanation.

Based on the evidence shown by the company, the non-conformity has been fulfilled by observation.

<b>Verified by</b>	:	<b>Sabiah Dhiningtyas Utami/Rizliani A Hsb</b>
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<b>NCR No.</b>	<b>: 2022.9</b>	<b>Issued by</b>	<b>: Yudhi Yuniarto</b>
<b>Date Issued</b>	<b>: 26 March 2022</b>	<b>Time Limit</b>	<b>: 24 June 2022</b>
<b>NC Grade</b>	<b>: Major/Critical</b>	<b>Date of Closing</b>	<b>: 11 April 2022</b>
<b>Standard Ref. &amp; Requirement</b>	<b>7.2.2</b> <b>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) are provided.</b>		
<b>Evidence observed and Non-Conformance Description (filled by auditor):</b> The company has not been able to show records of pesticide use for 2021-2022 for West Plasma and East Plasma (KUD Himado).			
<b>Root Cause Analysis (filled by organization audited):</b> The plasma management system is 100% managed by the farmer/KUD Himado, so the company does not yet have a pesticide recording format used by the plasma farmer/KUD Himado.			
<b>Correction (filled by organization audited):</b> Pesticide collection documents are available at the KUD office, the company has recorded the use of pesticides that have been recapitulated by KUD Himado (Attached file: LD50).			
<b>Corrective Action (filled by organization audited):</b> Plasma PIC/plasma staff will coordinate with KUD management in monitoring the use of pesticides on a monthly basis.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor Verification 11 April 2022,</b> The company shows evidence of improvement in the form of recapitulation of pesticide use in 2021 and 2022. The document also provides information on the active ingredients, target weeds, LD50, active ingredient content, total use of ingredients and total area applied. Based on the foregoing, the discrepancy is declared fulfilled with the observation record in the next assessment.			
<b>Verified by</b>	<b>:</b>	<b>Yudhi Yuniarto Tallutondok</b>	

NCR No.	: 2022.10	Issued by	: Arief Tajalli
Date Issued	: 26 March 2022	Time Limit	: Next Assessment
NC Grade	: Minor/Noncritical	Date of Closing	: 20 June 2022
Standard Ref. & Requirement	<p>7.3.1  <b>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.</b></p>		
<p><b>Evidence observed (filled by auditor):</b>  Based on the results of field visits in several locations, the following information was obtained:</p> <p><b>Hazardous Waste Management</b></p> <ul style="list-style-type: none"> <li>• There are expired chemicals in the East Estate fertilizer warehouse area.</li> <li>• The TPS LB3 Transit East Estate building is not equipped with a waterproof floor.</li> <li>• Indication of oil contamination from the Genset Room which is located on the riverbank in the Emperiuk residential area, East Estate.</li> <li>• There is a lot of garbage / domestic waste in the workers' housing area (Emperiuk housing complex, East Estate).</li> <li>• There was no activity of dumping and stockpiling of waste in the East Estate Landfill.</li> <li>• There are used oil drums in the Bukit Ajong Factory employee housing area.</li> <li>• There is oil in the used soft drink packaging without a B3 label in the WTP area, Bukit Ajong Factory.</li> <li>• During the ASA 1.2 and ASA 1.3 audit activities, the management of B3 waste has become non-conformance and the company has taken corrective and corrective actions to address the discrepancy. However, during the ASA 1.4 + recertification audit, B3 waste was still found that had not been managed in accordance with applicable SOPs and regulations.</li> </ul> <p><b>Liquid Waste Management</b></p> <ul style="list-style-type: none"> <li>• There is a pool of leachate in the Empty Bunch Area location.</li> <li>• The condition of WWTP ponds number 1 to 4 as well as ponds 5 and 6 have merged into 1 pond due to the high level of waste water and the condition of the separation embankment which is no longer functioning properly.</li> <li>• During the ASA 1.3 audit, maintenance of the WWTP pool was an opportunity for improvement, but when the ASA 1.4+Re-certification audit was carried out, the company had not been able to demonstrate the progress of the WWTP pond maintenance so that it could function properly.</li> </ul> <p>The company has shown corrective actions from some of the field findings in the form of proof of improvements related to expired chemicals, indications of oil contamination from the generator room, used oil drums in the factory housing area, and oil in the factory WTP area. However, the company has not been able to show the root of the problem and evidence of corrective actions to ensure that these findings will not recur.</p> <p>Based on the above information, some evidence of non-compliance is obtained when referring to the applicable procedures and laws, including:</p> <ul style="list-style-type: none"> <li>• SOP Number SPO-01-17-PLB3&amp;NonB3-SNPBAL concerning Management of LB3 and non-B3</li> <li>• SOP Number 320/SIA-PKS-02/11 concerning Management of Waste Pools</li> <li>• SOP for Management of LB3 and not B3 Plasma</li> <li>• SOP for Domestic Waste Management</li> <li>• Decree of the Head of Bapedal Number 3 of 1995 concerning Technical Requirements for LB3 Management</li> <li>• PP RI Number 101 of 2014 concerning Management of Hazardous and Toxic Waste</li> <li>• PP RI Number 74 of 2001 concerning Management of Hazardous and Toxic Materials</li> <li>• PP RI Number 81 of 2012 concerning Management of Household Waste and Similar Waste</li> <li>• PermenLHK Number 59 of 2016 article 7 concerning Leachate Water Management.</li> </ul>			

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

Based on the evidence obtained, this is a non-compliance because the company has not been able to implement the management of hazardous waste and liquid waste as stipulated in company procedures and applicable laws and regulations.

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

The discrepancy between LB3 management practices in the East Estate area was caused by the PIC's non-compliance and lack of discipline in the responsibilities that should be carried out. In this case for the fertilizer warehouse area and TPS LB3 the PIC is the main warehouse officer, for Empriuk's house, the officer responsible for managing LB3 in the generator house is the generator operator himself. Meanwhile, the inappropriate management of LB3 at the Bukit Ajong Factory WTP is the same action, namely the indiscipline of the PAP officers in placing and storing LB3 according to the SOP where all LB3 should be stored in a special place, namely the LB3 TPS while the non-compliance of LB3 at Bukit Ajong housing is also caused by a lack of awareness and employee understanding of LB3 management. However, this is not the only thing that has caused discrepancies in the handling and monitoring of LB3 at the East Estate & Bukit Ajong Factory. Another cause is the weak control exercised by the Safety Officer over the practice of handling LB3, where the safety officer should be the person conducting the assessment in the field to ensure that everything is in accordance procedure.

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

For this discrepancy, the company has taken corrective actions, namely:

- Transferring expired chemicals from the East Estate Warehouse to TPS LB3 located at Bukit Ajong Factory.
- The company has demonstrated improvements to the TPS LB3 Transit East Estate floor to make it watertight and not leak.
- The company has made repairs to the Oil Trap generator housing for employees in Empriuk.
- Used oil drums in the Bukit Ajong Factory housing complex have been transported to the Bukit Ajong Factory TPS LB3.
- Collecting used soft drinks used as oil containers in the PAPs and placing them in TPS LB3 Bukit Ajong Factory.

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

To ensure that these discrepancies do not recur, the company takes actions which include:

- Re-socialization and understanding of LB3 management at PT. Sedjahtera Indo Agro, where this socialization was carried out to all PT.SIA employees, this socialization was carried out during the morning briefing before work.
- To ensure the implementation of LB3 management practices in the field according to the SOP, the company conducted retraining on LB3 management for safety officers so that the monitoring and management of LB3 in the field was carried out according to the SOP. In addition, every month the Safety Officer is required to report the results of field activities to the unit manager, including LB3 monitoring.

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

**Auditor Verification (20 June 2022)**

The company has shown some evidence of improvements made during the onsite audit as described in the corrective actions section. The company has also shown proof of the improvements that were sent, namely evidence of recorded socialization activities as described in the corrective action section. The root cause of the problem presented by the company has also been mitigated in the form of corrective actions. However, the consistency and scope of corrective action needs to be ensured that it has been carried out thoroughly. Based on this, the discrepancy has been fulfilled by observation.

**Verified by** : **Arief Tajalli**

<b>NCR No.</b>	: 2022.11	<b>Issued by</b>	: Yudhi Yuniarto
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: Next Assessment
<b>NC Grade</b>	: Minor/Noncritical	<b>Date of Closing</b>	: 23 June 2022
<b>Standard Ref. &amp; Requirement</b>	<b>7.4.2</b> <b>Analysis of tissue samples (e.g. leaves) and soil on a regular basis to monitor and manage changes in soil fertility and plant health is documented.</b>		
<b>Evidence observed (filled by auditor):</b> <ul style="list-style-type: none"> <li>• Agronomy Reference Manual No. XXX/EST-ARM/XX dated 5 December 2019. The document explains that the recommendation is to take the same sample of oil palm plants (leaves) every year, so that the results of leaf analysis can be compared accurately from year to year.</li> <li>• The results of document verification show that the last leaf analysis was carried out on October 8 2019 by the Minamas Research Center with Report No. P152/2019, and refers to the report on the results of soil quality analysis in the semi-detailed land suitability survey conducted in February 2017.</li> <li>• Results of verification of 2020 fertilization documents revealed that the company did not carry out leaf collection and analysis activities for 2020.</li> <li>• The results of interviews with the MRC revealed that for 2021 and 2022 fertilizer recommendations were issued without going through leaf and soil analysis, for example: for TM-1 and TM-2, NK fertilization was carried out at a dose of 2.5 kg/tree every semester.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that it has conducted periodic analysis of leaf samples to monitor and manage changes in soil fertility.			
<b>Root Cause Analysis (filled by organization audited):</b> The PIC who carried out the sampling was a team from the Minamas Research Center (MRC), where the position of the MRC team was outside the PT SIA area, namely in Central Kalimantan Province, so when they entered the PT SIA area they would be included in the category of guests from outside the area.  In 2020 the company did not carry out leaf picking and analysis activities due to the Covid-19 issue, and in March the company issued SOPs related to COVID-19 emergency preparedness and response, in part three it was stated that each plantation and factory needed to implement several practices to minimize the potential risk of COVID-19 in their operations. (If the Government Announces a Movement Control Order (MOC). And on March 31, 2020 the government through the Government Regulation of the Republic of Indonesia Number 21 of 2020 has issued regulations regarding large-scale social restrictions, in order to support these regulations, companies carry out SOPs that have been made before, one of which is to only allow guests if there is a very important (emergency) situation.  In 2021 the company will carry out leaf collection and analysis activities, but in accordance with the Circular of the Governor of West Kalimantan through the Health Office with number 445/3396 Health Health Office related to handling an increase in Covid cases and the existence of a new cluster in Sanggau Regency according to the news published on <a href="https://www.kompas.tv/article/165295/angka-covid-19-di-sanggau-meningkat-23-kases-baru-dari-klaster-apotek">https://www.kompas.tv/article/165295/angka-covid-19-di-sanggau-meningkat-23-kases-baru-dari-klaster-apotek</a> so that companies cannot make visits to the PT SIA area which is located in Sanggau Regency, West Kalimantan Province to carry out these activities.			
<b>Correction (filled by organization audited):</b> The company has provided fertilizer recommendations by looking at the main performance in the field and the quality of production, these recommendations are given through the MRC team as the department that has authority in the company to provide fertilizer recommendations. The procedure for providing fertilizer recommendations is carried out by looking at the performance of fertilizers in the field and the quality of production listed in the Inter Office Mail (IOM) which is issued by the head of the department who has the authority regarding this matter. In this case it is the KTB Protection and Palm Nutrient Region Manager who is known by the Head of MRC.			

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

So far, leaf sampling is not the only method for determining fertilizer doses. The research party, in this case the MRC team at the company, can determine fertilizer doses by looking at the main performance in the field and production without reducing the accuracy of the doses given. During this pandemic, this method has become a more effective method without carrying out mobility activities, because the team of analysts comes from outside West Kalimantan Province. The procedure for providing fertilizer recommendations is carried out by looking at the performance of fertilizers in the field and the quality of production listed in the Inter Office Mail (IOM) which is issued by the head of the department who has the authority regarding this matter. In this case it is the KTB Protection and Palm Nutrient Region Manager who is known by the Head of MRC.

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

**Verification 23 June 2022,**

The company sends proof of improvement in the form of:

- Covid-19 Emergency Preparedness and Response Guidelines for Operations in Plantations and Factories (Indonesia) dated March 31, 2020. The guidelines for reducing the risk of being infected with Covid-19 explain that companies limit the number of guests entering operational units and only allow if the needs are very important.
- Inter-Office Mail from P&PN-KTB Manager No. 003i/P&PN-KTB/Agronomist-RKTb/VI/2021 dated 4 June 2021 concerning the determination of fertilizer recommendations during the Covid-19 Pandemic. In the IOM it was explained that during the Covid-19 pandemic the dosage of fertilizer had not subsided by looking at the main performance in the field (leaf colour and plant growth) and production could be carried out.

Based on the foregoing, the discrepancy is declared fulfilled with the observation record in the next assessment.

**Verified by** : **Yudhi Yuniarto Tallutondok**

<b>NCR No.</b>	: 2022.12	<b>Issued by</b>	: Yudhi Yuniarto
<b>Date Issued</b>	: 26 March 2022	<b>Time Limit</b>	: Next Assessment
<b>NC Grade</b>	: Minor/Noncritical	<b>Date of Closing</b>	: 18 Mei 2023
<b>Standard Ref. &amp; Requirement</b>	7.4.4 Records of fertilizer inputs are maintained.		
<b>Evidence observed and Non-Conformance Description</b> (filled by auditor): The company has not been able to show records of fertilizer use for 2021-2022 for West Plasma and East Plasma (KUD Himado).			
<b>Root Cause Analysis</b> (filled by organization audited): Lack of coordination between PT ASIA Plasma Staff and Cooperative management in terms of recording the Use of Plasma Fertilizer (KUD HIMADO)  Auditors' response Why can there be a lack of coordination between PT SIA's Plasma Staff and Cooperative management in terms of recording the use of Plasma Fertilizer (KUD HIMADO)? To be explained further.  Company Response The plasma management system is 100% managed by farmers through KUD Himado, so that the use of fertilizers by farmers is regulated by KUD  Response May 4, 2023. Plasma / KUD Himado has been included in the scope of certification for a long time and has been managed by farmers through KUD Himado for a long time. Do plasma staff and cooperative management know/understand that data on fertilizer use is required in audit activities? To be explained further/analyzed Back to the root of the problem.  Company Response May 5, 2023 Root Causes The company has coordinated with the plasma smallholders regarding the RSPO Principles and Criteria, one of which is attaching data on fertilizer use, but because the PIC of the management has changed, this information was not conveyed during the audit.			
<b>Correction</b> (filled by organization audited): Shows data on the use of fertilizer by the Plasma Team per month for 2021, 2022 and 2023 (Jan – March). Auditors' response In order to also show improvements to the root cause analysis  Response May 4, 2023. Previous responses have not been responded to by the company.			
<b>Corrective Action</b> (filled by organization audited): The company will consistently coordinate with the KUD Team through the KUD secretary as a data presenter that has been recapitulated by the KUD Team. This is monitored directly by the Plasma Manager through the Plasma Staff  Auditors' response In order to be explained in detail and clearly, how to ensure that non-conformities do not recur in the future? □ what form/method of consistent coordination is monitored by the plasma manager?  Company Response The Plasma Manager will coordinate with the KUD Secretary to provide monthly fertilizer data to the plasma staff.  Response response May 4, 2023 What form of coordination is meant? Is there any monitoring done?			

**Company Response May 5, 2023**

The coordination in question is by going directly to the KUD office and meeting directly with the KUD management, for monitoring carried out by the Company Plasma Manager in the form of monthly instructions to Plasma Staff to request fertilizer data from the KUD Management by visiting the KUD office.

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

**Verification date April 27, 2023**

The company shows evidence of improvement in the form of:

- Data on fertilizer expenditure for KUD Himado plasma farmers in 2021 which was signed on March 30, 2021 → data until December 2021 but the document was signed on March 30, 2021 and there is no information on the unit used.
- Data on fertilizer expenditure for KUD Himado plasma farmers in 2022 which was signed on December 31, 2022 → there is no unit information used.
- Data on fertilizer expenditure for KUD Himado plasma farmers in 2023 (until March 2023) signed on March 31, 2023 → no information on the unit used.

**Company Response**

- The 2021 fertilizer data that was previously sent already has unit information, namely Kilograms located in the top column.
- Fertilizer data for 2022 has been corrected and has Kilogram units.
- Fertilizer data for 2023 has been corrected and has Kilogram units.

Based on the analysis of the root causes, repairs and prevention shown, the non-conformity is still open.

**Date verification May 4, 2023.**

The company shows evidence of improvement in the form of:

- Fertilizer expenditure data for 2022 and 2023 along with the unit information provided.
- Previous clarification → Data on fertilizer release from KUD Himado plasma farmers in 2021 signed on 30 March 2021 → data until December 2021 but documents signed on 30 March 2021 → no response yet.
- Company Response May 5, 2023.
- An Attachment error occurred when presenting the data, because the data is not only wrong in the date but also wrong in the input data, because it is still in Sack units even though it is attached in kilograms.
- The company sent back Fertilizer 2021 data.

Based on the analysis of the root causes, repairs and prevention shown, the non-conformity is still open.

**Verification date May 18, 2023.**

The company showed evidence of improvement in the form of data on the expenditure of fertilizer on KUD Himado plasma farmers for 2021 which was signed on December 31, 2021.

Based on the foregoing, the discrepancy is declared to have been fulfilled.

<b>Verified by</b>	:	<b>Yudhi Yuniarto Tallutondok/Sabiah Dhiningtyas Utami</b>
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<b>NCR No.</b>	: 2022.13	<b>Issued by</b>	: Arief Tajalli
<b>Date Issued</b>	: 25 March 2022	<b>Time Limit</b>	: 24 June 2022
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 13 June 2022
<b>Standard Ref. &amp; Requirement</b>	<b>7.10.1</b> <b>GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.</b>		
<b>Evidence observed (filled by auditor):</b> Based on the results of the RSPO Palm GHG data verification, the following information was obtained: <ul style="list-style-type: none"> <li>The unit of certification can show the calculation results of GHG emissions generated through the PalmGHG Calculator.</li> <li>East and West Plasmadata are identified as Third Party, while both associated smallholders are included in the scope of certification where all supply bases included in the scope must be identified as own estate/plantation.</li> <li>The unit of certification also has not been able to show data on the use of fuel and fertilizer for the East and West Plasmascopes.</li> <li>The size of the HCV area is different from the area in the 2010 Area Statement and the results of the HCV assessment, and there is no justification for the difference in area.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> Based on the explanation above, this becomes a discrepancy because the unit of certification has not been able to show results Calculation of Greenhouse Gases using the Palm GHG Calculator which has covered all important components in the production chain, so that emission reduction opportunities from the scope of Bukit Ajong Factory certification cannot be carried out thoroughly.			
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>PIC has understood that GHG filling, associated smallholder is entered into a third party with a default value because the unit of certification has not received complete data related to Fuel and Fertilizer data available for GHG filling.</li> <li>Regarding the difference in HCV area, this is because at the time of filling in the data for the HCV PIC area, it still uses the indicative area provided by Accent, this happens because the unit of certification has not determined the definitive HCV area that can be managed by the unit of certification.</li> <li>The existence of HCVs in the PT SIA area poses the most fundamental challenge in the process of delineation and designation of the HCV indicative areas to become Definitive HCV Areas. This happens because the estate layout model tends to be complex. The area and boundaries of HGU are sporadic and not compact. Then it is difficult to get information about the ownership of some of these indicative HCVs which are claimed by some local indigenous peoples.</li> </ul>			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>The unit of certification has determined the definitive HCV areas that can be managed by the unit of certification, in order to avoid social conflicts</li> <li>The unit of certification has also conducted a series of mediations facilitated by local community leaders and traditional leaders which the unit of certification attaches in the form of a mediation report.</li> <li>The unit of certification has sent a link and based on the reply from <a href="mailto:ghg@rspo.org">ghg@rspo.org</a> on 27 April 2022 informs that the PalmGHG submission for Bukit Ajong 2021 has been verified and approved by the auditor.</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>The PIC has understood the HCV area data used in inputting Palm GHG data and in the future the PIC will pass the data verification stage through the Unit before submitting the process, the PIC has collected planting data on the use of fertilizer and fuel for associated smallholder and entered it into the own estate where the fuel and fertilizer data is obtained by the unit of certification through data from the KUD office.</li> <li>The unit of certification will routinely coordinate with Cooperative to monitor the use of fuel and fertilizer used by associated smallholder farmers.</li> <li>The unit of certification has conducted mediation with the community regarding HCV, and the unit of certification has defined the HCV area that can be managed by the unit of certification as large as 321.20 Ha.</li> </ul>			

**Assessor Evaluation and Conclusion** (filled by auditor):**Auditor Verification April 26, 2022:**

Based on the explanation related to the root of the problem, corrective actions and corrective actions submitted by the unit of certification have not been able to answer all the observation evidence obtained. The unit of certification has updated the GHG Calculator data and has changed the West and East Plasmainto Own Estate/Plantation, includes data on the use of fertilizers and fuel and attaches the latest HCV area data, but there is no justification for the difference with the area statement. Based on this, the non-conformance has not been met.

**Auditor Verification April 26, 2022:**

Based on the updated root cause, corrective actions and corrective actions from the unit of certification, as well as evidence of improvement such as PT SIA's Definitive HCV Determination document and Minutes of Mediation related to HCV area, an explanation regarding changes in HCV area data in RSPO GHG has been accepted. The unit of certification has also updated the RSPO GHG data, based on this, the **non-conformity has been Closed**.

<b>Verified by</b>	<b>:</b>	<b>Arief Tajalli</b>
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**3.4.2. Identification of Findings, Corrective Actions and Observations at ASA 2.1 Assessment**

<b>NCR No.</b>	: 2023.01	<b>Issued by</b>	: Kiki Fadli
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: ASA-2.2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 20 Juni 2023
<b>Standard Ref. &amp; Requirement</b>	: 1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.		
<b>Evidence observed (filled by auditor):</b> The company shows a list of PT SIA employees for the April 2023 period with a total of 780 people as well as the mandatory reporting process for the 2023 workforce report on May 26, 2023 via online. However, the company has not been able to show evidence that the mandatory reporting of labor reports has been completed to the agency for PT SIA.			
<b>Non-Conformance Description (filled by auditor):</b> Have not been able to show evidence that mandatory reporting of manpower reports has been reported to the agency for PT SIA.			
<b>Root Cause Analysis (filled by organization audited):</b> There are differences in reporting data, namely the number of workers of PT. SIA, so that the WLKP (official report to the agency) is not issued.			
<b>Correction (filled by organization audited):</b> Re-checking TK SIA data manually before reporting it to the Agency, so that the data reported is in accordance with the actual number of SIA workers.			
<b>Corrective Action (filled by organization audited):</b> Coordination of the number of workers who will be reported to the Head of PT SIA at each closing to HRBP and HR JAKARTA			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification date June 20, 2023</b> The company shows evidence in the form of a mandatory employment report on June 19, 2023, as well as supporting data for this report.  Based on this, the discrepancy on this indicator is fulfilled.			
<b>Follow up on next audit (filled by auditor):</b>			
<b>Verified by</b>	: Kiki Fadli		

<b>NCR No.</b>	: 2023.02	<b>Issued by</b>	: Moh Arif Yusni
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: ASA-2.2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 3 July 2023
<b>Standard Ref. &amp; Requirement</b>	: 2.1.3 Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.		

**Evidence observed (filled by auditor):**

The results of document verification show that PT Sedjahtera Indo Agro has two HGU certificates with the following details

- HGU Certificate No. 00160 (previously HGU certificate No. 1) there are 23 plots of land with a total area of 4,562.34 Ha.
- HGU Certificate No. 00162 (previously HGU certificate No. 5) there are 15 plots of land with a total area of 2597.51 Ha.

In the HGU certificate it is explained that the installation of stakes refers to Government Regulation No. 24 of 1997 concerning Land Registration in article 17 paragraph 1 which explains that in order to obtain the physical data required for land registration, the plots of land to be mapped are measured, after their location has been determined. , the boundaries and according to the need to place boundary signs in each corner of the land parcel in question. Regarding the number of HGU stakes, based on monitoring data on HGU No 00160 there are 42 HGU stakes and on HGU No 00162 there are 19 HGU stakes and monitoring activities for HGU stakes have been carried out periodically by the company.

Regarding the maintenance of HGU stakes, the company already has a BPN Stakes Maintenance Procedure which was passed in December 2010 revision 00. The SOP explains that during periodic cleaning, officers are required to fill out monitoring and documentation. If the condition of the stakes has moved or is lost or there is a legal boundary dispute, then the inspection and data collection will be carried out by an expert appointed from the research department and bring in a party from BPN.

Based on the results of field visits and interviews with management and staff

- Not all HGU stakes have been installed in every corner of the plot of land, this is because some areas are still controlled by the community.
- For areas adjacent to the plasma area, paint is marked on the core oil palm trees with blue paint and the plasma oil palm trees with red paint.

There were several staff who did not know the certification area (HGU) and non-certification where during the field visit the auditor team was directed to a division that is outside the scope of certification.

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

The company has not been able to show evidence that the legal area is marked with clear boundaries and maintained.

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

- HGU stakes that have not been installed due to community claims on ownership of the land in question and perceptions of land boundaries.
- Not all areas adjacent to the plasma area have been marked with paint on the core oil palm trees with blue paint and the plasma oil palm trees with red paint.
- Some of the staff are new to the division so they don't know the HGU and non-HGU certification areas.

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

- Conduct discussions with the community who claim the land so that stakes cannot be installed.
- Make a plan and realize the marking of the colour of the paint on the boundary with the plasma area is marked with paint on the core oil palm trees with blue paint and the plasma palm trees with red paint.

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

- Make an inventory of every community land that the community has the potential to claim for the installation of HGU stakes.
- Conducting further discussions with the community regarding the boundaries of PT Sedjahtera Indo Agro's HGU
- Checking the condition of the marking of PT SIA's HGU HGU markings and repainting if the mark is no longer visible
- Conduct periodic checks regarding the boundaries of the nucleus and plasma plantations, and re-paint if the marks are no longer visible
- Conduct regular training for staff regarding the scope of certification (HGU).

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

<p><b>Verify 03 July 2023</b> evidence of improvement can be shown</p> <ul style="list-style-type: none"> <li>• Revision of the BPN SOP Maintenance SOP Rev 01 June 2023 which explains in section 5.11 it is stated that if the stake cannot be installed due to community claims to land ownership, the marking of the HGU stake shall use the agreed mark.</li> <li>• Minutes of refusal to install HGU stakes from the community, for example on June 12 2023, for example from community leaders in Musan Hamlet, Hibun Village, Parindo District.</li> <li>• Program and realization of management of HGU boundaries which will be carried out in June and July 2023 in the form of painting HGU boundary stakes.</li> <li>• Documentation of the painting of the principal plants bordering the community's land.</li> </ul> <p>Regarding the proof of improvement submitted, the discrepancy in this indicator is stated to have been fulfilled</p> <p><b>Follow up on next audit (filled by auditor):</b></p>	
<b>Verified by</b>	<b>: Moh Arif Yusni</b>

<b>NCR No.</b>	<b>: 2023.03</b>	<b>Issued by</b>	<b>: Rahmat Abdiansyah</b>
<b>Date Issued</b>	<b>: 27 May 2023</b>	<b>Time Limit</b>	<b>: ASA-2.2</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 26 July 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<p><b>: 3.4.2</b> <b>For the unit of certification, a SEIA is available and social and environmental management plan and its monitoring have been developed with participation of affected stakeholders.</b></p>		
<p><b>Evidence observed (filled by auditor):</b> The company has conducted a Social Impact Assessment (SIA) which was carried out in 2009 by Aksenta. The Social Impact Analysis was carried out on 14 – 18 August 2009 within the PT SIA Location Permit and HGU area with an area of ±14,000 Ha. The scope of the study includes the expansion plan area, as well as villages and hamlets directly adjacent to PT SIA in two sub-districts, including the villages of Suka Gerundi, Palem Jaya, Hibun, Rahayu, Maringin Jaya, and Dosan (Parindu District), and Sei Mawang (District of Parindu) Kapuas).</p> <p>With regard to social management, the company has developed a social impact management plan listed in PT SIA's social impact mitigation plan for the 2022-2023 period. The results of document verification revealed that the plan had been carried out in a participatory manner by involving the village community from Hibun Village and Dosan Village, KUD Himado Plasma Farmers, and employees. However, the preparation of the social impact management plan has not involved other stakeholders such as the villages of Suka Gerundi, Palem Jaya, Rahayu, Maringin Jaya, KUD Sepadan Jaya, NGO representatives, the Dayak Customary Council, trade unions, and the Gender Committee. In addition, the unit of certification has not been able to demonstrate the mechanism for identifying affected stakeholders in developing a social impact management plan.</p> <p>Based on the results of stakeholder consultations, several social issues developed from stakeholders, such as the problem of plasma smallholders' land being in forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB for plasma farmers, sales of FFB through ramps (collecting points), opportunities cooperation, development of plasma and self-help smallholders, complaints from residents, recruitment of workers, setting the price of FFB, etc. Some of these issues have not been covered in PT SIA's social impact management plan.</p>			
<p><b>Non-Conformance Description (filled by auditor):</b></p>			

The unit of certification has not been able to show evidence that a social impact management plan has been developed with the participation of all affected stakeholders and there are still issues that have not been covered in the social monitoring and management plan.

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

- The company has not yet identified affected stakeholders and involved all of these stakeholders in social impact management.
- The preparation of the social impact management plan based only on the 2022-2023 MUSREMBANG has not been carried out in a participatory manner. In addition, the PIC lacks understanding regarding the SOP for Handling Community Complaints.

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

- Make identification of stakeholders who are socially impacted by PT SIA.
- The preparation of the social impact management impact plan will be carried out in a participatory manner and involve all parties by holding FGDs (Focus Group Discussions) and distributing social impact questionnaires so that all social impacts can be properly mitigated.

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

- Make a list of PT SIA stakeholder lists that will be used as a source of community social issues to cover all social issues that occur in PT SIA.
- The company appoints a Plasma assistant concurrently as Public Relations to gather relevant information on developing social issues from stakeholders, and then these issues will be conveyed to the Social Impact Planning Team.
- Routine communication continues to be carried out in stages (once every 3 months) by the company to stakeholders so that this social impact mitigation plan can be more effective and on target and social issues can be accommodated.
- Complaint submission mechanism/system contained in the Complaint Handling Mechanism SOP for all parties and the community. Where the Assistant/KTU/KASIE/Sr. Assistant is in charge of accommodating and studying internal community (stakeholder) complaints/aspirations. The company also specifically appointed a Plasma Assistant as coordinator for handling external stakeholder social issues related to PT SIA, where it was emphasized that the PIC conducts Village Community Forum Group Discussion (FGD) activities periodically, which is once every 3 months. However, if there are issues that are identifiable in nature, the PIC can directly hold an FGD to verify the soil issues with stakeholders and this will be communicated directly with the Unit Manager in the region, as well as the PSD Manager.

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

**Auditor Verification dated 18 June 2023**

The company has sent proof of improvement in the form of root causes, corrections and corrective actions. But there are still auditors' questions on the root of the problem and corrective action. Based on this explanation, the discrepancy in this indicator has not been fulfilled.

**Auditor Verification July 16, 2023**

The company has sent proof of improvement in the form of root causes, corrections and corrective actions. But there are still auditors' questions on the root of the problem and corrective action. Based on this explanation, the discrepancy in this indicator has not been fulfilled.

**Auditor Verification July 26, 2023**

The company has sent proof of improvement in the form of:

- Root problem analysis, correction, and corrective action.
- List of stakeholders affected by PT SIA (External Stakeholders) consisting of Village Heads from Parindu District and Sei Mawang District, Hamlet Heads, and Customary Heads with a total of 68 stakeholders.
- Mechanism/system for submitting complaints contained in the SOP for the Grievance Handling Mechanism for all parties and the public. Where the Assistant/KTU/KASIE/Sr. Assistant is in charge of accommodating and studying internal community (stakeholder) complaints/aspirations. The company also specifically appointed a Plasma Assistant as coordinator for handling external stakeholder social issues related to PT SIA, where it was emphasized that the PIC conducts Forum Group Discussion (FGD) activities for village communities periodically, which is once every 3 months, but if there is an incidental issue, the PIC can

directly hold an FGD to verify social issues with stakeholders and will communicate directly with the Manager Unit in the region and also the PSD Manager.

- Decree on Appointment of Coordinator for Handling Stakeholder Social Issues Number IM-02/SGU-15/V/2023 dated 29 May 2023 from the Sanggau Area Controller containing appointments on behalf of Tamui (Assistant Plasma) as Coordinator for Handling Stakeholder Social Issues.
- PT Sedjahtera Indo Agro's Social Impact Assessment (SIA) review which was conducted on May 6, 2023. The review was conducted to see the suitability of the social impact in accordance with the current actual conditions. The review was carried out in a participatory manner involving surrounding villages such as Meringin Jaya Village, Hibun Village, Sungai Mawang Village, Dosan Village, Suka Gerundi Village, Rahayu Village, Palem Jaya Village.

Based on the evidence submitted by the company, discrepancies in this indicator are declared Fulfilled and will be observed again in the next assessment.

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

<b>Verified by</b>	<b>:</b>	<b>Rahmat Abdiansyah</b>
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<b>NCR No.</b>	: 2023.04	<b>Issued by</b>	: Rahmat Abdiansyah
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: 25 August 2023
<b>NC Grade</b>	: Major (Recurring)	<b>Date of Closing</b>	: 06 June 2023
<b>Standard Ref. &amp; Requirement</b>	<b>3.4.3</b> <b>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.</b>		
<b>Evidence observed (filled by auditor):</b> The company already has a participatory social impact management plan for the 2022-2023 period. The social impact management plan includes: <ol style="list-style-type: none"> <li>1. Employment Aspect → employment opportunities for local communities.</li> <li>2. Aspects of Public Service → Opportunity to work with the Village community.</li> <li>3. Aspects of the economic development of the surrounding community → Opportunity for local people to become contractors.</li> <li>4. Aspects of FPIC and Conflict Resolution → Vulnerability of social relations related to land issues.</li> <li>5. Environmental Aspects → negative perceptions of environmental issues.</li> <li>6. Aspect of legality → Guarantee of clear legality</li> </ol> <p>The company has implemented and reviewed the social impact management plan, for example:</p> <ol style="list-style-type: none"> <li>1. Labor recruitment has involved the local community</li> <li>2. School facilities for the surrounding village community and employees as well as a shuttle bus for school children.</li> <li>3. Collaborate with local contractors for the transportation of FFB, Jakos, and other works.</li> <li>4. There is no land conflict</li> <li>5. Perform laboratory analysis tests</li> <li>6. Providing assistance in the process of issuing certificates of ownership rights to plasma smallholders.</li> </ol> <p>From the results of the social impact management carried out, the company has not been able to show the results of its monitoring to evaluate the effectiveness of the management activities carried out. Furthermore, based on the results of stakeholder consultations, several social issues have developed from stakeholders, such as the problem of plasma smallholders' land being in forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB for plasma farmers, selling FFB through ramps (collecting points), cooperation opportunities, training of Plasma farmers, etc. Some of these issues have also not been covered in PT SIA's social impact management plan and these issues have been around for a long time.</p>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that the social impact management has been monitored to prove that the management has been able to mitigate developing social issues.			
<b>Root Cause Analysis (filled by organization audited):</b> The company does not have an adequate system to monitor and evaluate the social impact management activities carried out. Updates and reviews are not carried out properly so that the social impact management plan becomes irrelevant and effective against the issues that develop from stakeholders. This is also due to a lack of effective communication between communities or representatives of community elements and companies to ensure that their interests are accommodated and relevant issues are identified and addressed in the social impact management plan.			
<b>Correction (filled by organization audited):</b> The company has involved community elements in preparing social impact plans through questionnaires, so that the aspirations of developing issues from community elements can be accommodated.			
<b>Corrective Action (filled by organization audited):</b>			



- The company appoints a Plasma assistant who also serves as Public Relations to gather relevant information on developing social issues from stakeholders, and then these issues will be conveyed to the Social Impact Planning Team.
- Routine communication continues in stages (once every 3 months) by the company to stakeholders so that this social impact mitigation plan can be more effective and on target.
- Mechanism/system for submitting complaints contained in the SOP for the Grievance Handling Mechanism for all parties and the community. Where the Assistant/KTU/KASIE/Sr. Assistant is in charge of accommodating and studying internal community (stakeholder) complaints/aspirations. The company also specifically appointed a Plasma Assistant as coordinator for handling external stakeholder social issues related to PT SIA, where it was emphasized that the PIC conducts Village Community Forum Group Discussion (FGD) activities periodically, which is once every 3 months. However, if there are issues of an identifiable nature, the PIC can directly hold an FGD to verify the social issues with stakeholders and this will be communicated directly with the Unit Manager in the region, as well as the PSD Manager.

**Assessor Evaluation and Conclusion** (filled by auditor):**Auditor Verification June 5, 2023**

The company has sent proof of improvement in the form of:

- PT SIA's SIA attendance list will be conducted on December 30, 2022. However, there are still questions from the auditor regarding the attendance list.
- Document Summary of Main Issues and Management Review. However, there are still questions from the auditor regarding the Summary Document on key issues and the management review.
- Root cause, Correction, and Corrective action. However, there are still a number of auditor questions related to Correction and Corrective Action.

Based on this explanation, non-compliance with this indicator is declared as Not Fulfilled.

**Auditor Verification June 6, 2023**

The company has sent proof of improvement in the form of:

- The questionnaire and FGD took place on 30-31 May 2022 for the villages of Maringin Jaya, Hibun, KUD Himado, Dosan Village, Palen Jaya Village, and on 6 June 2023 for the villages of Sei Mawang, Rahayu Village and Suka Gerundi Village.
- Summary of main issues and Management Review which is an SIA improvement plan where the Company has included identified social issues.
- Determination of key stakeholders based on the 2010 SIA Document, and then updating the list of stakeholders which information is usually obtained during development planning meetings and this activity is one of the participatory forums involving various stakeholders in the regional development planning process.
- Mechanism/system for submitting complaints contained in the SOP for the Grievance Handling Mechanism for all parties and the community. Where the Assistant/KTU/KASIE/Sr. Assistant is in charge of accommodating and studying internal community (stakeholder) complaints/aspirations. The company also specifically appointed the Plasma Assistant as coordinator for handling external stakeholder social issues related to PT SIA, where it was emphasized that the PIC conducts Village Community Forum Group Discussion (FGD) activities periodically, namely once every 3 months, but if there is an incidental issue, The PIC can directly hold FGDs to verify social issues with stakeholders and will communicate directly with the Manager Unit in the region and also the PSD Manager.
- Decree on Appointment of Coordinator for Handling Stakeholder Social Issues Number IM-02/SGU-15/V/2023 dated 29 May 2023 from the Sanggau Area Controller containing appointments on behalf of Tamui (Assistant Plasma) as Coordinator for Handling Stakeholder Social Issues.
- PT Sedjahtera Indo Agro's Social Impact Assessment (SIA) review which was conducted on May 6, 2023. The review was conducted to see the suitability of social impacts according to current actual conditions. The review was carried out in a participatory manner involving surrounding villages such as Meringin Jaya Village, Hibun Village, Sungai Mawang Village, Dosan Village, Suka Gerundi Village, Rahayu Village, Palem Jaya Village.
  1. PT Sedjahtera Indo Agro's Social Impact Management Program for the period 2023 – 2024. The program also has an implementation schedule and a responsible PIC. The programs include: Mitigation of the dry season by monitoring fires and preparing infrastructure to help fight fires.

<ol style="list-style-type: none"> <li>2. The legality of farmer's land by assisting in the management of SHM Plasma.</li> <li>3. Community assistance in the form of donations through the CSR program.</li> <li>4. Empowering the surrounding community by absorbing labor and providing opportunities for local contractors to transport FFB or empty fruit bunches.</li> <li>5. Acceptance of community FFB through cooperatives by accepting FFB from the community by joining the Himado Cooperative and Sepadan Jaya Cooperative.</li> <li>6. Development of infrastructure in surrounding villages by providing assistance in maintaining roads/infrastructure in surrounding villages.</li> <li>7. Government anxiety by holding a Focus Group Discussion (FGD).</li> <li>8. Monitoring environmental quality due to plantation and factory operations by monitoring river water around the company.</li> <li>9. Compilation of the CSR Program by involving the community in the preparation of CSR.</li> <li>10. Employee unrest by providing Personal Protective Equipment (PPE), applying the minimum wage according to regulations.</li> <li>11. The commitment of the Gender Committee to provide posyandu services for maternal and child health.</li> <li>12. Evaluation of social impact management.</li> </ol> <ul style="list-style-type: none"> <li>• Identification of SHM Plasma that has not been issued. The results of company identification revealed that there were 85 SHM in process at BPN and 118 SHM in new applications.</li> <li>• Socialization on the determination of FFB prices and plasma FFB quality which was carried out on April 19, 2023.</li> <li>• For the existence of a loading ramp, the company has discussed the construction of a loading ramp within PT SIA's HGU environment in 2019 which was carried out by involving smallholders and plasma cooperatives. The results of interviews with company representatives found that related to the problem of the loading ramp, management and monitoring are still being carried out, such as providing outreach to plasma farmers.</li> <li>• Root problem analysis, correction, and corrective action.</li> </ul> <p>In general, the evidence for improvements sent by the company, such as the social impact management program, has covered all the issues identified, both by the company and from the results of interviews with the auditor team. These social issues have been set forth in the 2023-2024 social impact program. To see that the social impact program can mitigate existing social issues will be observed in the next assessment. Based on this explanation, discrepancies in this indicator are declared Fulfilled and will be observed again in the next assessment.</p>	<p><b>Follow up on next audit (filled by auditor):</b></p>
<p><b>Verified by</b> :</p>	<p><b>Rahmat Abdiansyah</b></p>

<b>NCR No.</b> :	<b>2023.05</b>	<b>Issued by</b> :	<b>Moh Arif Yusni</b>
<b>Date Issued</b> :	<b>27 May 2023</b>	<b>Time Limit</b> :	<b>25 August 2023</b>
<b>NC Grade</b> :	<b>Major</b>	<b>Date of Closing</b> :	<b>28 June 2023</b>
<b>Standard Ref. &amp; Requirement</b> :	<p><b>3.8.5</b>  <b>Documented procedures</b>  The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ol style="list-style-type: none"> <li>a. Complete and up to date procedures covering the implementation of all elements of the supply chain model requirements.</li> <li>b. Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ol>		

	<p>c. <b>Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</b></p> <p>d. <b>The mill shall have documented procedures for receiving and processing certified and non-certified FFBs including ensuring no contamination in the IP mill.</b></p>
<p><b>Evidence observed (filled by auditor):</b>          Bukit Ajong POM already has documented procedures related to SCCS / Supply Chain in the RSPO SCCS Manual (Standard SCCS) RSPO Supply Chain Certification Standard document (SCCS-Std/RSPO/PSQM/02 dated 02 July 2020). The procedure has explained related to the identification of the role of individuals who have overall responsibility and authority for the implementation of these requirements and compliance with all applicable requirements. The results of document verification also show that the procedure has been socialized to workers, for example on September 5, 2022. However, based on the results of field visits and interviews with workers, it is known that:</p> <ul style="list-style-type: none"> <li>• There are still staff who do not know about the scope of the audit certification (certified or non-certified areas) as evidenced by the fact that during a field visit the auditor team was directed to a division that is outside the scope of certification</li> <li>• No verification was carried out regarding the traceability of FFB received from KUD Himado</li> <li>• The results of interviews with FFB workers/operators in the East Estate assumed that all the FFB produced was RSPO certified, even though in actual fact there were areas in East Estate that did not yet have HGU covering an area of 1822.89 Ha.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b>          There is no evidence yet that all individuals who have responsibility in the role of SCCS have demonstrated knowledge related to supply chain procedures.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Due to organizational needs there has been a mutation of staff at PT SIA, and the staff concerned have not fully mastered the entire area. The company does not yet have a system or mechanism to ensure that the new staff are aware of the area related to the RSPO.</li> <li>• SPB is not made in the field (farmer's estate) because to avoid conflicts between farmers and the social dynamics that exist in the field. Harvesting and transportation activities are carried out independently by each farmer so that it is not possible if the SPB is filled in the field. One of the efforts made by the company is to monitor the harvest and transportation so that it minimizes the presence of illegal FFB.</li> <li>• The socialization system conducted for drivers is still not accompanied by direct simulations in knowing the intent of the RSPO and non-RSPO, they only know that PT SIA is participating in the RSPO certification system.</li> </ul>	
<p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Conduct outreach and training to all staff</li> <li>• Creating a Committee Structure to ensure that new staff can be immediately given an understanding of the RSPO by each coordinator</li> <li>• Exclude plasma from the scope of certification and training for staff and smallholders related to FFB transparency</li> <li>• Creating a Training Scheme for FFB Transporters.</li> </ul>	
<p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>• Create SPO Committee Structure</li> <li>• Organizing Training including Pre Test and Post Test for All Staff on the Scope of RSPO</li> <li>• The Public Relations team should be more proactive in approaching the farmers' fruit availability (taxation).</li> <li>• By removing plasma from the scope of certification, FFB from plasma is declared not certified</li> <li>• Creating a Mechanism for dissemination of the SOU Memo and direct simulation to FFB Drivers in 2 stages. Namely at the Security Post when they provide SPB and at the Grading Post when they provide SPB as well.</li> </ul>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p> <p><b>Auditor Verification 28 June 2023</b></p>	

Evidence of improvement can be shown in the form of:

- PT Sedjahtera Indo Agro through letter No 002/AL-UM/V/2023 dated 25 May 2023 stated that the West Plasma plantation unit and East Plasma plantation from the Scope of Certification stated in the RSPO Recertification Work Agreement between PT Sedjahtera Indo Agro and PT Mutuagung Lestari with contract number 0097d.3/MUTU/RSPO/II/2022, is requested to be excluded from the scope of certification,
- Outreach related to Rantau Supply of the MB Scheme at Bukit Ajong Factory on 31 May 2023
- Memorandum from the Chairman of the SOU dated 26 May 2023 No 001/PT.SIA-BAF/INT/V/2023 regarding determination of RSPO and Non-RSPO areas and Blocks at PT SIA
- Socialization of Plasma fruit traceability on May 31, 2023.

Regarding the proof of improvement submitted, the discrepancy in this indicator is stated to have been fulfilled.

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

<b>Verified by</b>	:	<b>Moh Arif Yusni</b>
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<b>NCR No.</b>	: 2023.06	<b>Issued by</b>	: Moh Arif Yusni
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: 25 August 2023
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 05 June 2023
<b>Standard Ref. &amp; Requirement</b>	<b>3.8.7</b> <b>Purchasing and Goods in</b> I. <b>PKS is required to verify and record the total tonnage and source of certified FFB and the total tonnage of non-certified FFB it receives.</b> II. <b>PKS must immediately notify CB if it is estimated that there is excess production of certified volume.</b> III. <b>PKS must have a mechanism for handling FFB and/or documents that do not comply.</b>		
<b>Evidence observed (filled by auditor):</b> The results of the audit verification obtained information that the FFB received at Bukit Ajong Factory came from certified areas from PT SIA and Plasma Bukit Ajong, uncertified areas from PT SIA and KUD Sepadan Jaya which were not yet RSPO certified. For FFB originating from the nucleus plantations, the company has determined certified fields and blocks divided between certified and uncertified areas are considered non-certified. Meanwhile for FFB from KUD (Plasma East and West), based on the results of field visits it is known that: <ul style="list-style-type: none"> <li>• Fruit delivery letter taken and given at the KUD Himado Post which is located next to the Bukit Ajong Factory entrance</li> <li>• There is no travel document / proof of delivery from the field before arriving at the Himado KUD Post to ensure the origin of FFB.</li> <li>• When he arrives at the Himado Post, the FFB driver only mentions the vehicle number, estimated tonnage and origin of FFB, which is then matched with the harvest rotation schedule, without any other supporting documents</li> <li>• Transportation is carried out independently by farmers in accordance with the harvest activities carried out</li> <li>• All FFB received at Himado Post is considered RSPO certified without any verification related to the traceability of the FFB source</li> <li>• The results of interviews with stakeholders (KUD administrators / farmers) sometimes for farmers who have adjoining land and are harvested at the same time as the FFB, the harvested fruit is sent to Bukit Ajong Factory.</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b> In this regard, Bukit Ajong Factory cannot show evidence that it can guarantee the receipt of certified and non-certified FFB according to the scope of certification.			
<b>Root Cause Analysis (filled by organization audited):</b> Goods Delivery Letters are not made in the field (farmers' estates) because to avoid conflicts between farmers and the social dynamics that exist in the field. Harvesting and transportation activities are carried out independently by each farmer so that it is not possible if the SPB is filled in the field. One of the efforts made by the company is to monitor the harvest and transportation so that it minimizes the presence of illegal FFB.			
<b>Correction (filled by organization audited):</b> Exclude plasma from the scope of certification and training for staff and smallholders related to FFB transparency.			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• The Public Relations team should be more proactive in approaching the farmers' fruit availability (taxation).</li> <li>• By removing plasma from the scope of certification, FFB from plasma is declared not certified.</li> </ul>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Auditor Verification</b> Regarding the discrepancy in this indicator PT Sedjahtera Indo Agro through letter No 002/AL-UM/V/2023 dated 25 May 2023 stated that the West Plasma plantation unit and the East Plasma plantation unit from the Scope of Certification stated in the RSPO Recertification Work Agreement between PT Sedjahtera Indo Agro with PT Mutuagung Lestari with contract number 0097d.3/MUTU/RSPO/II/2022, requested to be excluded from the scope of certification.			

Regarding the proof of improvement submitted, the discrepancy in this indicator is stated to have been fulfilled.

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

**Verified by** : **Moh Arif Yusni**

NCR No.	: 2023.07	Issued by	: Moh Arif Yusni
Date Issued	: 27 May 2023	Time Limit	: 25 August 2023
NC Grade	: Major	Date of Closing	: 25 August 2023
Standard Ref. & Requirement	<b>3.8.16</b> <b>Registration of Transactions</b> i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified improved risk management to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. ii. Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.		

**Evidence observed (filled by auditor):**

The results of the review of company documents can show the recording of mass balances, as explained in the following table:

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)
	Cert	Non Cert		Non Cert
opening stock	875.64	813.12	1,688.76	0
May-22	2,096.18	706.76	2,802.93	0
Jun-22	1,759.49	1,184.28	2,943.77	0
Jul-22	1,753.33	882.34	2,635.67	1,507.71
Aug-22	1,825.74	892.99	2,718.73	1,692.01
Sep-22	1,581.61	722.53	2,304.14	4,305.2
Oct-22	1,551.53	731.52	2,283.05	0
Nov-22	1,360.88	709.43	2,070.32	4,140.89
Dec-22	1,097.91	470.29	1,568.20	1,508.35
Jan-23	1,088.09	618.51	1,706.59	0
Feb-23	784.94	440.99	1,225.93	1,803.91
Mar-23	726.38	356.50	1,082.88	506.87
Apr-23	772.90	395.58	1,168.48	0
<b>Total</b>	<b>16,398.97</b>	<b>8,111.73</b>	<b>24,510.70</b>	<b>15,464.94</b>

Based on the CSPO (Mass Balance record) production and dispatch table, it is known that there is no physical sale of certified products and all of these products are sold conventionally.

Regarding products sold conventionally / non-certified, the company has allocated and made sales with the following details:

Credit Allocation		Credit sales	
Date	Volume (MT)	Date	Volume (MT)
10 January 2023	5,077	10 January 2023	5,000
21 February 2023	14,050	21 February 2023	14,000
<b>Total</b>	<b>19,127</b>	<b>Total</b>	<b>19,000</b>

Based on the explanation above, it is known that products sold on credit are larger than the production of certified CPO and/or certified production sold conventionally.

<p><b>Non-Conformance Description</b> (filled by auditor): The company cannot show evidence that sales of certified products on credit (transaction registration) refer to products that are manufactured and or products that are sold conventionally.</p>	
<p><b>Root Cause Analysis</b> (filled by organization audited): Global Trade Marketing carried out transactions in palm trace without verifying the actual productions and there is coordinations with POM teams.</p>	
<p><b>Correction</b> (filled by organization audited): Carried out coordinations meeting between SQM and GTM.</p>	
<p><b>Corrective Action</b> (filled by organization audited): Carried out coordinations about actual stoch and monitor every three months.</p>	
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Auditor Verifications on 25 August 2023</b> The unit of certifications presented corrective evidence as follows:</p> <ul style="list-style-type: none"> <li>- Email Communication with RSPO regarding the situation at PT SIA, but no further feedback from RSPO</li> <li>- It can be shown that the Coordination Mechanism for Monitoring Stock of CPO &amp; PK Sales between the Dept. Sustainability and SDO Indonesia dated 25 July 2023 which explains, among other things:             <ol style="list-style-type: none"> <li>1. If the product will be allocated on credit, it must be ensured that the product allocated is not greater than the RSPO certificate product sold conventionally</li> <li>2. SDO Indonesia Jakarta sends proof of products that have been removed or allocated as credit sales on the Palm Trace IT platform to Dept. SQM by Email.</li> <li>3. Re-monitoring the declaration made by SDO Indonesia into the Palm Trace IT platform by the Dept. SQM is to ensure that no product allocated on credit is no greater than the amount of production available in the factory.</li> </ol> </li> <li>- Meeting between Simerdarby Oils Indonesia and the Sustainability Team regarding procedures for selling RSPO certified products which are carried out on a book and claims / credit basis</li> </ul> <p>Regarding the proof of improvement sent, non-conformities in this indicator are declared to have been met and will be further verified during the next assessment</p>	
<p><b>Follow up on next audit</b> (filled by auditor):</p>	
<p><b>Verified by</b></p>	<p>:</p>



<b>NCR No.</b>	: 2023.08	<b>Issued by</b>	: Kiki Fadli
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: ASA-2.2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 17 July 2023
<b>Standard Ref. &amp; Requirement</b>	<b>4.2.3</b> <b>The unit of certification keeps parties informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</b>		
<b>Evidence observed (filled by auditor):</b> PT SIA has an SOP for Grievance Handling Mechanism for All Parties and Communities with No. 01/MPK-OU/XII/21 issued on December 1, 2021 which explains that complaints/aspirations are answered no later than 2 weeks or 14 days from the date the complaints/aspirations are received.  The company shows the recording of incoming letters as on February 15, 2023 from with the initials US regarding the return of land ownership rights and from the coordinator of the farmer group regarding the repair of the shaft road, but based on the recording of responses/outgoing letters, no reply/response has been found from either of these matters.			
<b>Non-Conformance Description (filled by auditor):</b> The unit of certification has not been able to inform the parties on the progress of complaint handling in accordance with the agreed time frame.			
<b>Root Cause Analysis (filled by organization audited):</b> There is no monitoring of response/reply for each handling of PT SIA's complaints.			
<b>Correction (filled by organization audited):</b> Monitor responses/replies to each incoming complaint.			
<b>Corrective Action (filled by organization audited):</b> Dissemination of the SOP for the Grievance Handling Mechanism for all parties and the public to employees and external stakeholders.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on June 19, 2023</b> The company has shown corrective actions in the form of a complaint monitoring form that informs the date the complaint was received and the date the complaint was answered along with the status of the complaint.  However, the company has not been able to provide evidence and explanations related to: <ul style="list-style-type: none"> <li>• Corrective action Why hasn't the SOP for the Grievance Handling Mechanism been implemented/applied for all parties and the community?</li> </ul> Based on this, the discrepancy in this indicator has not been fulfilled.			
<b>Verification date July 17, 2023</b> The company showed proof of socialization of the SOP for the Grievance Handling Mechanism for all parties and the public on 5 July 2023 which was attended by 12 participants.  Based on this, the discrepancy on this indicator is fulfilled.			
<b>Follow up on next audit (filled by auditor):</b>			
<b>Verified by</b>	: Kiki Fadli		

<b>NCR No.</b>	: 2023.09	<b>Issued by</b>	: Moh Arif Yusni
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: ASA-2.2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 15 July 2023
<b>Standard Ref. &amp; Requirement</b>	4.3.1 <b>Contributions to community development that are based on the results of consultation with local community are demonstrated.</b>		
<b>Evidence observed (filled by auditor):</b> The results of verification of company documents can show contributions to community development, including: <ul style="list-style-type: none"> <li>• Dusun Serosat Road Repair (Assistance using 15.80 HM Excavator) in October 2022</li> <li>• Repair of Axis Road 3 Plasma Gok Nala (Help with 14.80 HM Excavator) in November 2022</li> <li>• Submission of Donations for Kwartir Scout Movement, Sanggau Branch, Regional Wira Karya Camping Program (PWD) in November 2022.</li> </ul> <p>During the audit process, the results of the Physical and Non-Physical Development Activity Plan for Sanggau Regency for the 2023 Fiscal Year Parindu District could be shown, but no proof of participation from the company could be shown. Based on the results of interviews with relevant stakeholders during the audit process (Village and Hamlet) with contributions to local development, the company provided assistance/contribution through proposals from the community to the company and the results of interviews with representatives of surrounding villages, information was obtained that during the last 2 years this had not been done deliberations/meetings to discuss the needs of local communities.</p>			
<b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that the community development program is based on the results of consultations with local communities.			
<b>Root Cause Analysis (filled by organization audited):</b> In supporting the community development program, PT SIA has not yet conducted deliberations/meetings with the community to discuss the needs of the local community, this is because so far the Company has considered that by participating in musrembang activities it has been able to accommodate all the needs of the local community around PT SIA. However, after the audit PT SIA has held a meeting related to the CSR program.			
<b>Correction (filled by organization audited):</b> In making the CSR (Corporate Social Responsibility) program it must be signed and known by local stakeholders.			
<b>Corrective Action (filled by organization audited):</b> Ensure that the creation of CSR programs involves local stakeholders.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verify 03 June 2023</b> Evidence of improvement can be shown in the form of: <ul style="list-style-type: none"> <li>• Outreach to the Village Community regarding CSR on June 15 2023 which was signed by the Waringin Jaya Village Head, Hibun Village Head, Palem Jaya Sekedes and Dosan Village Head</li> <li>• Realization of CSR in 2023</li> <li>• The 2023 CSR program which explains the types of activities/programs, work locations, implementation period.</li> </ul> <p>Related to the evidence of improvement that was submitted, non-compliance with this indicator was declared unfulfilled, the company needs to complete the auditor's questions on the root of the problem.</p>			
<b>Verify July 15, 2023</b> Can be shown clarification of clarification on the root of the problem. Based on the proof of improvement sent, the discrepancy in			

this indicator is stated to have been fulfilled.	
<b>Follow up on next audit</b> (filled by auditor):	
<b>Verified by</b>	: <b>Moh Arif Yusni</b>

<i>NCR No.</i>	:	<b>2023.10</b>	<i>Issued by</i>	:	<b>Rahmat Abdiansyah</b>
<i>Date Issued</i>	:	<b>27 May 2023</b>	<i>Time Limit</i>	:	<b>ASA-2.2</b>
<i>NC Grade</i>	:	<b>Minor</b>	<i>Date of Closing</i>	:	<b>30 June 2023</b>
<i>Standard Ref. &amp; Requirement</i>	:	<b>5.2.1</b> <b>The unit of certification consults with interested smallholders (irrespective of type), including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.</b>			
<b>Evidence observed (filled by auditor):</b> Based on the results of document verification and interviews with stakeholders, it is known that: <ul style="list-style-type: none"> <li>• Apart from receiving FFB from PT SIA and KUD Himado which is the scope of certification, there is also FFB processed at Bukit Ajong Mill from KUD Sepadan Jaya.</li> <li>• Results of interviews with company representatives revealed that KUD Sepadan Jaya was a former plasma land of PT SIA unit Sei Mawang and now the farmers are managing it independently.</li> <li>• The results of the stakeholder consultation revealed that the company has not yet conducted an assessment of the needs of farmers for support for improving their standard of living or their interest in participating in RSPO certification.</li> </ul>					
<b>Non-Conformance Description (filled by auditor):</b> The company has not shown any evidence that it has consulted interested smallholders (regardless of the type of farmer) including women farmers or other suppliers, to assess the smallholders' needs for support for improving their livelihoods or their interest in pursuing RSPO certification.					
<b>Root Cause Analysis (filled by organization audited):</b> The company does not yet have a system for assessing farmers' interest in participating in RSPO certification, not limited to farmers who are not yet interested.					
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• The company creates a procedural mechanism in inviting farmers to participate in RSPO certification.</li> <li>• The company holds a meeting with farmers to discuss assessing the needs of farmers for support for improving their standard of living and their interest in participating in RSPO certification.</li> <li>• The company conducts Best Management Practice Training activities related to the management of oil palm plantations so as to increase farmers' fruit productivity.</li> </ul>					
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• The mechanism set up by the company provides opportunities for farmers to express opinions regarding their needs and support for improving their standard of living and their interest in participating in RSPO certification.</li> <li>• The company makes a Training Matrix that will be monitored or known directly by the Plasma Manager (PSD) and during the training, farmers will also be continuously informed about relevant indicators related to RSPO for the training that has been conducted so that farmers gradually carry out learning as well as hands-on practice It is hoped that in the future farmers will be interested in participating in RSPO certification.</li> </ul>					
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Auditor Verification June 30, 2023</b> The company has sent proof of improvement in the form of: <ul style="list-style-type: none"> <li>• Socialization of Opportunities and benefits of following the RSPO scheme and Discussion on improving living standards which was held on 12 June 2023. This activity was attended by 50 Farmers and was carried out with the aim of explaining to farmers the opportunities and benefits of RSPO certification.</li> <li>• Training program for farmers for the 2023-2024 period which was established on June 20 2023. The training program consists of harvesting training, FFB quality training, fertilizer application, pesticide spraying, beneficial plant planting, and frontstacking.</li> <li>• Smallholder Consultation Procedure on RSPO Certification with Number 01/Petani-RSPO/II/2023 which was approved by the</li> </ul>					

Senior Manager on 2 June 2023. This procedure was created by the company as a Mechanism to provide opportunities for farmers to express opinions regarding their needs and support for raising the level of livelihood and interest in participating in RSPO certification.

- Training on the best management in managing plantations so as to increase productivity which was conducted on June 16 2023 for plasma farmers.
- Root problem analysis, correction, and corrective action.

Based on the proof of improvement sent by the company, the discrepancy in this indicator is stated to have been fulfilled.

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

<i>Verified by</i>	:	<b>Rahmat Abdiansyah</b>
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<i>NCR No.</i>	: 2023.11	<i>Issued by</i>	: Kiki Fadli
<i>Date Issued</i>	: 27 May 2023	<i>Time Limit</i>	: 25 August 2023
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 24 July 2023
<i>Standard Ref. &amp; Requirement</i>	<b>6.2.3</b> <b>There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.</b>		
<b>Evidence observed (filled by auditor):</b> PT SIA provides payslips proving legal compliance such as hours worked, base salary, deductions, overtime and leave. Based on interviews with generator workers at the East Estate, it was stated that the working hours were 12 hours (2 shifts) with an overtime rate system, but the unit had not been able to provide an explanation for calculating the overtime.  Furthermore, based on the PKS overtime calculation document, it is known that a security worker with the initial Y for working hours is 12 hours (2 shifts), but in calculating the amount of overtime calculated only 10 hours which should be 11 hours after deducting 1 hour of rest.			
<b>Non-Conformance Description (filled by auditor):</b> The calculation of overtime pay is not in accordance with the provisions for calculating overtime pay in accordance with the provisions of labor regulations.			
<b>Root Cause Analysis (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Letters from the Area Controller did not reach the unit, regarding generator operator shift changes.</li> <li>- At the time the audit took place, the PIC was unable to provide evidence and explanations regarding overtime payments for generator workers.</li> <li>- There was an error in calculating overtime hours for security employees</li> </ul>			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Ensure that internal memos from the area controller can be implemented by the unit</li> <li>- Shows generator operator overtime calculations according to the area controller's letter.</li> <li>- According to Law No. 13 of 2003, article 79 requires a half hour break for every 4 hours of overtime work and after verification that the person concerned has permission.</li> <li>- Show evidence of underpayment from the difference in calculating overtime wages to security employees</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>- Monitor employee overtime hours, and ensure that 3 shifts apply in accordance with the Area Controller Letter</li> <li>- •Conduct socialization regarding overtime provisions to the PIC in charge of inputting and calculating overtime hours</li> </ul>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on June 19, 2023</b> The company shows evidence of improvement in the form of: <ul style="list-style-type: none"> <li>• Security exit permit on April 2, 2023</li> <li>• 3 shift provisions/schedule for generator operators on 1 June 2023</li> </ul> However, the company has not been able to show evidence in the form of: <ul style="list-style-type: none"> <li>• Root of the problem → to be able to review the root of the problem that arises, because what is presented is a chronology of events and not the root of the problem</li> <li>• orrective action and corrective action → to be able to adjust to the revised/latest root of the problem</li> </ul> Based on this, the discrepancy in this indicator has not been fulfilled.			

**Verification on July 17, 2023**

The company has revised the root of the problem, corrective actions and corrective actions, but the company has not been able to show and explain related to:

- On the root of the problem → Please write down the root of the problem related to the security worker's overtime calculation error
- In corrective action → Please show generator operator overtime calculations in accordance with the new area controller letter
- In corrective action → For the third bullet, the company has given workers a break of 1 hour, but in terms of the number of working hours there is still a difference of 1 hour which is not yet counted as overtime hours and this happens every week. Can you explain please?
- For corrective action → Please monitor employee overtime working hours, and ensure that 3 shifts are implemented in accordance with the Area Controller Letter
- On corrective action → Please add, corrective action for security personnel overtime calculation errors.

**Based on this, the discrepancy in this indicator has not been fulfilled.**

**Verification date July 24, 2023**

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

- Proof of payment of the difference in overtime wages for security employees in August 2023.
- The company has shown proof of implementing 3 shifts for generator operators and calculating overtime, for example for the period June 2023 which is appropriate.
- The company shows proof of socialization regarding overtime provisions on July 21 2023.

Based on this, the nonconformity in this indicator has been fulfilled and will be observed in the next audit.

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

*Verified by* :

NCR No.	: 2023.12	Issued by	: Rahmat Abdiansyah
Date Issued	: 27 May 2023	Time Limit	: 25 August 2023
NC Grade	: Minor Raised to Major	Date of Closing	: 16 July 2023
Standard Ref. & Requirement	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.		
<p><b>Evidence observed (filled by auditor):</b></p> <p><b>Hazardous and toxic Waste and Domestic Waste</b></p> <ul style="list-style-type: none"> <li>The SOP for B3 and Non-B3 Waste Management with Other SOP Number dated 08 June 2009 explained that the management of B3 waste, such as used oil containers and chemical packaging, is by collecting B3 waste in warehouses. In addition, the management of domestic waste or waste is carried out by separating organic and non-organic waste and then collecting each in the trash.</li> <li>Based on the results of field observations in the Bukit Ajong Factory WWTP Pond area, it is known that there are 4 Pcs of used oil containers, piles of domestic waste (organic and inorganic), and used domestic waste incineration around the WWTP close to the former contractor's hut. Apart from that, there are also 1 pcs of used drums and 4 pcs of used oil containers in the WWTP pool area.</li> <li>Based on the results of field observations at the BSS East Estate Warehouse, it is known that there is a pile of domestic waste behind the BSS warehouse.</li> <li>Based on the results of field observations at the East Estate employee housing, it is known that there are traces of burning domestic waste in the housing area.</li> </ul> <p><b>Liquid Waste and EFB</b></p> <ul style="list-style-type: none"> <li>The SOP for Management and Monitoring of Liquid Waste with Document Number BAF/SOP.ESH/19 dated 25 September 2019 and the Minamas Agricultural Reference Manual document explains that management of Liquid Waste/POME is by treating and disposing of solid sludge.</li> <li>The results of observations in the Bukit Ajong Factory WWTP area show that ponds 1-4 have merged into one pond and ponds 5 and 6 have also merged into one pond. Besides that, pond 6 is full and there is overflowing of liquid waste out of the pool in front of the operator's control room.</li> <li>Observation results in the LA Division 5 East Estate area show that there is liquid waste that is not applied to the specified flat bed. In addition, there is liquid waste that has entered the ditch around the front of the Bukit Ajong Factory.</li> <li>Based on field observations in the empty bunch area (EBA) and around the WWTP pool, there is a pool of leachate in the empty bunch piles. In addition, there is also leachate in the piles of jangkos beside the former iron warehouse in the east estate workshop area which has entered the ditch.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b> The Unit of Certification has not been able to show evidence that the implementation of waste management has complied with the procedures in place to prevent pollution.</p> <p><b>Root Cause Analysis (filled by organization audited):</b></p> <p><b>Hazardous and toxic waste and domestic waste management</b></p> <ul style="list-style-type: none"> <li>The old contractors, when carrying out their activities, did not understand the dangers of exs B3 packaging and the domestic waste they produced and the dangers of burning it anywhere.</li> <li>Leftover Hazardous and toxic waste from the old contractor when making additional pools where they did not understand how to treat LB3 waste.</li> </ul>			



- Lack of supervision control in supervising employees who are disciplinary regarding concern for domestic waste and the prohibition of burning waste.

**Liquid Waste and EFB**

- The cause of the leachate not flowing is because the Empty Baskets have accumulated.
- There is a blockage in the land application flow pipe, the flow is not smooth and makes the waste pool water high and overflows into the pump house.
- There is a shallow ditch that connects the culvert point with the platebate, so that it overflows into the pilot market.
- The EFB transport unit was damaged, at the time of repair it was required that the BIN be empty, so in order to optimize the repair, EFB was dropped off in the Workshop area but the unit immediately left the location and transported FFB so that the spilled EFB was not transported back so that the application was delayed.

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

- Conduct socialization and supervision to employees regarding the management of domestic waste and the prohibition of burning.
- Cleaning the jangkoks that clog the ditch so that the leachate does not overflow.
- Maximize the transportation of jangkoks to be applied to the field so that jangkoks don't pile up at the mill.
- Shallow trench cleaning.
- Cleaning of land application flow pipes so that the pipe flows smoothly and can reduce the height of the waste pool water.
- Cleaning jangkoks in the workshop area.
- Repair of sewage ponds.

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

1. Periodic socialization regarding Management of domestic waste and B3 waste to employees and contractors
2. Regular environmental inspection
3. Transporting jangkoks continuously so that JJK does not pile up and make the flow of leachate not smooth
4. Periodically cleaning the land application flow pipe so that the waste flow is maximized so that the waste pool water does not overflow.

**Auditor's Notes/Comments:**

In order to show evidence:

- Periodic socialization regarding Management of domestic waste and B3 waste to contractors. Because what is shown is only for employees, not for contractors.
- Environmental Inspection conducted.
- Is there an EFB haulage and LA pipeline clean-up program?

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

**Auditor Verification dated 30 June 2023**

The company has sent proof of improvement in the form of:

- WWTP pool repair program. Based on the program, it is known that WWTP repairs will be carried out in the August 2024 period.
- Documentation of EFB cleaning in workshops, cleaning of domestic waste, cleaning of former incineration of domestic waste, cleaning of liquid waste/POME in pilot market areas, cleaning of scale on clogged LA pipes, washing of sewage ponds, and documentation of flow meters and LA pipes functioning properly.
- Socialization of Hazardous Waste Management to Supervision, Division Employees and Workshop on 17 June 2023 which was attended by 35 participants.
- Socialization of Domestic Waste Management to Supervision, Division Employees and Workshop on 17 June 2023 which was attended by 36 participants.
- Root problem analysis, correction, and corrective action. However, there are still auditor questions related to corrective action.

Based on the explanation above, non-compliance with this indicator is declared as Not Fulfilled.

**Auditor Verification July 16, 2023**

The company has sent proof of improvement in the form of:

- Minutes of dissemination of SOP for Hazardous and Non-B3 Waste Management to Contractors which was carried out on 6 July

2023 which was attended by 8 Contractor Employees.

- Results of environmental inspections conducted in June 2023. Inspection results show that the company has carried out inspections such as checking the flow of LA Pipes, EFB Piles, irrigation canals, etc.
- Schedule of Land Application (LA) HDPE pipe cleaning which is carried out every semester. For semester 1 it has been carried out by the company. The results of descaling the clogged LA pipe, Washing of the waste pool, and documentation of the Flow Meter and LA pipe have been functioning properly.
- Root problem analysis, Correction, and Corrective action.

Based on the evidence of the improvements made by the company, the discrepancy in this indicator is declared Fulfilled and will be observed again in the next assessment.

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

**Verified by** : **Rahmat Abdiansyah**

<b>NCR No.</b>	: 2023.13	<b>Issued by</b>	: Rahmat Abdiansyah
<b>Date Issued</b>	: 27 May 2023	<b>Time Limit</b>	: 25 August 2023
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 5 June 2023
<b>Standard Ref. &amp; Requirement</b>	: 7.10.1 GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.		

**Evidence observed (filled by auditor):**

- The Unit of Certification has calculated GHG emissions through the PalmGHG Calculator for the 2022 period. Based on the verification of the PalmGHG Calculator, the following evidence was obtained:

Unit	TBS Supply (Ton)	Total Area (Ha)	Planted Area (Ha)	HCV (Ha)	Planting Years
East Estate	2,529.22	213.37	197.53	15.84	99 & 09
West Estate	8,350.96	1,186.62	1,181.13	5.49	97, 98, 2017, 2019
East Plasma	48,117.20	1,956	1,956	-	98, 99, 2003, 2004
West Plasma	27,905.12	2,315	2,315	-	97, 98, 2020, 2021, 2022, 2023
East Estate Non RSPO	20,182.04	3,376.41	3,080.02	296.39	99, 2003, 2004, 2008, 2007, 2017, 2016, 2018, 2019
West Estate Non RSPO	20,819.34	1,764.98	1,761.5	3.48	97, 98, 2016, 2017

- Based on the verification of the areal statement documents and FFB production for the January-December 2022 period, the following information was obtained:

Unit	TBS Supply (Ton)	Total Area (Ha)	Planted Area (Ha)	HCV (Ha)	Planting Years
East Estate	2,529.22	2,665.48	709.80	312.23	99, 2003, 2004, 2016, 2017, 2018, 2019
West Estate	8,350.96	4,562.30	2,462.30	8.97	97, 98, 2016, 2017, 2018, 2019
East Plasma	47,399.96	1,956	1,956	-	99, 98, 2003, 2004
West Plasma	27,331.62	2,315	2,315	-	97, 98, 2020, 2021, 2022
East Estate Non RSPO	20,182.04	489	-	-	-
West Estate Non RSPO	20,189.34	1,281	-	-	-
KUD Sepadan Jaya	516.17	480	-	-	-

Based on the two tables above, there are data differences between the PalmGHG calculation data and actual conditions, such as:

- FFB Supply in East Plasma and West Plasma units.
- Total area of East Estate, West Estate, East Estate Non RSPO, West Estate Non RSPO units.
- Planted areas in the East Estate and West Estate units.
- HCV areas in East Estate, West Estate, East Estate Non RSPO, West Estate Non RSPO units.
- Distribution of Years of Planting in East Estate, West Estate, East Plasma and West Plasma units.
- KUD Sepadan Jaya has not been included in the PalmGHG calculations.

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

The Unit of Certification has not been able to show evidence that the calculation of GHG emissions for the 2022 period through PalmGHG is in accordance with actual conditions.

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

- There was an error in inputting the data sent from the unit to PalmGHG by the input PIC. This is due to the lack of a cross-check mechanism that allows re-validation by the data supply unit before the data is submitted to the auditor. Because the data is sent via email and is appropriate.
- There was an error in understanding the PIC data in the unit related to non-certificate claims. PIC misunderstood that non-certified claims only apply to fruit (FFB) originating from areas that have certified and non-certified blocks, not the area itself. As a result, data such as total area, planted area, and distribution of planting years are not properly classified as certified or non-certified areas.
- There was an error in providing data by the PIC unit to the input PIC regarding the location of the HCV. The PIC data thinks that the HCV data must be entered into adjacent fields, even though the HCV conditions are actually in the HGU area even though it is not in the field.
- The data input PIC thought that KUD Sepadan Jaya (Plasma Sei Mawang) had entered Plasma East with regard to the management of Inti Sei Mawang which is managed by Inti East, which is different. Even though the Sei Mawang core unit is managed by East Inti, the Plasma remains as OCP.

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

- The company has corrected input errors entered into the RSPO Palm GHG system.
- The company has conducted training for the PIC unit regarding the understanding of GHG Palm Input.
- The data input PIC has entered SJ's KUD as a Third Party.

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

- Implementing a Cross-Check mechanism between the unit and the Palm GHG PIC before submitting it to the auditor and conducting training for the PIC in the Unit regarding filling in the Palm GHG System to avoid invalid data.
- Provide training and clear emphasis to the PIC Unit that blocks that are claimed as non-certified according to the memo only apply to FFB, not to the area itself.
- Conduct training for PIC units related to data input in the Palm GHG system.

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

**Auditor Verification June 5, 2023**

The company has sent proof of improvement in the form of GHG Calculation through PalmGHG which has been revised according to the actual data for the GHG period. Based on the Auditor's verification, it is known that the GHG calculation is in accordance with actual conditions, for example, data on FFB, HCV area, area planted, data on FFB suppliers, distribution of planting years, etc.

Based on this evidence, the discrepancy in this indicator is stated to have been fulfilled.

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

**Verified by** : **Rahmat Abdiansyah**

NCR No.	: 2023.14	Issued by	: Rahmat Abdiansyah
Date Issued	: 27 May 2023	Time Limit	: 25 August 2023
NC Grade	: Major	Date of Closing	: 16 July 2023
Standard Ref. & Requirement	<p>7.12.4 Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p>		
<p><b>Evidence observed</b> (filled by auditor):</p> <ul style="list-style-type: none"> <li>The company has determined a definitive area of HCV area that has been identified by the Head of SOU 15 in April 2022. The document explains that not all HCV areas identified in the HCV assessment can be managed by the company. The HCV area that can be managed by the company is 321.20 Ha.</li> <li>The company has conducted a Management Plan Review for the 2018-2022 period which was carried out on January 5, 2022 involving the head of Dosan Village. From the results of the review, there was a reduction in the HCV area from 2,031.7 Ha to 321.20 Ha. The HCV management plan document describes the plan and realization of the HCV activities carried out. However, the management plan has not explained the basis for calculating HCV reduction, mitigation efforts so that the remaining HCV areas are not reduced again, maintenance plans, affected stakeholders, and identification of risks that threaten the existence of HCV areas.</li> </ul> <p><b>Non-Conformance Description</b> (filled by auditor):</p> <p>The company has not been able to show evidence that the HCV Management Plan Review that has been carried out has been carried out thoroughly on the actual condition of the HCV area so that it can be protected and improved.</p>			
<p><b>Root Cause Analysis</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>The company has not carried out a comprehensive HCV management plan for the actual condition of HCV so that it can be protected and enhanced because the initial HCV which was 2013.7 Ha became 321.20 This is because not all definitive HCV areas can be controlled by companies and most of these HCV are controlled by local communities.</li> <li>The unit does not yet have a system/mechanism to carry out mitigation efforts so that the HCV area does not decrease, the unit has only reached the stage of determining the HCV definitive area.</li> </ul>			
<p><b>Correction</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>The unit will establish a system to mitigate the HCV area so it doesn't decrease again.</li> <li>Create a HCV program plan.</li> </ul>			
<p><b>Corrective Action</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>The unit will appoint a PIC to carry out and monitor mitigation so that the HCV area does not decrease again.</li> <li>Revision of PT SIA's HCV Management Plan.</li> </ul>			
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p> <p><b>Auditor Verification June 18, 2023</b></p> <p>The company has sent proof of improvement in the form of:</p> <ul style="list-style-type: none"> <li>2023-2027 HCV Management Plan Document. The results of the verification include the auditor's comments in accordance with the Correction column.</li> <li>Basic document for Definitive Area Determination of HCV Areas. Based on this document, it is known that the basis for determining the Definitive HCV area is in accordance with the delineation carried out by the company according to the boundaries of the HGU</li> </ul>			

that the company can manage because HGU is sporadic and not compact/one stretch.

- Minutes of joint agreements to manage and protect protected areas/HCV made to Hibun Village, Dosan Village, Traditional Leaders, and Dusun Tantang.
- Root cause analysis, Correction, and Corrective Action. However, there are still auditors' comments on the root of the problem, correction and corrective action.

Based on this explanation, the non-compliance with this indicator is declared Not Fulfilled.

Auditor Verification July 16, 2023

The company has sent proof of improvement in the form of:

- HCV Area Mitigation Flowchart. The document describes the steps for mitigating efforts to prevent a reduction in the HCV area.
- HCV Management Plan for the 2023-2027 period. The document describes HCV programs, including managing and monitoring HCV so that HCV does not decrease again.
- HCV Monitoring and Evaluation for the 2022 period. The monitoring and evaluation results were carried out in conjunction with the SIA consultation with the aim that the HCV management carried out by the company also involved the village community. The evaluation results show that the condition of the West Estate and East Estate HCV areas is still well maintained.
- An assignment letter in the context of HCV management for West Estate and East Estate which was stipulated on July 1, 2023. One of the PIC's duties is to carry out conflict management, resolution and mitigation if there is a conflict.
- Root problem analysis, Correction, and Corrective action.

Based on the evidence of the improvements made by the company, the discrepancy in this indicator is declared Fulfilled and will be observed again in the next assessment.

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

<b>Verified by</b>	:	<b>Rahmat Abdiansyah</b>
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**3.4.1. Opportunity for Improvement**

No	Ref. Std.	Description
1	2.1.1	<p>The results of document verification revealed that PT Sedjahtera Indo Agro has owned HGU since 1997, and initially the company's operational area was in the Area for Other Uses as explained in the Letter of the Governor of the Level I Region No. 525/3636/II-Bappeda dated 7 September 1995 regarding Land Information for Oil Palm Plantations. The letter explained that according to the Land Use Map and the Consensus Forest Use Map and the Spatial Plan for the Province of West Kalimantan, an application for a location permit in Parindu District, Sanggau Regency can be approved for an area of ± 14,000 Ha located in the status of an Area for Other Uses.</p> <p>However, based on the West Kalimantan Provincial Forest and Water Conservation Area Map (Attachment to the Decree of the Minister of Forestry No. S.K733/Menhut-II/2014 dated 02 September 2014) some of PT SIA's area is in a forest area and overlaps with the working area of PT HPHTI PT Indiga Finance.</p> <p>In relation to this situation, on September 30 2016 the Governor of West Kalimantan submitted this to the Minister of Environment and Forestry of the Republic of Indonesia through letter No. 522/3414/Dishut/2016 concerning Proposals for solving the problem of overlapping forest areas with residential locations, community business land and permit areas Oil Palm Plantation Business a/n PT Sime Indo Agro in Sanggau Regency, one of the points of which is proposing to the Minister of Environment and Forestry that the location of settlements, community business land and the area of oil palm plantations of PT. Sime Indo Agro, which is located in the permanent production forest (HP) of the S. Sekayam - S. Mengkiang forest group, Sanggau Regency, is considered to be removed from the Forest Area and HPHTI working area of PT. Finnantara Intiga through Re-Delimitation of Permanent Production Forest Areas (HP) of S.Sekayam - S.Mengkiang and Boundaries of HPHTI Working Areas of PT Finnantara Intiga.</p> <p>In this regard, companies are encouraged to continue to monitor the ongoing process of releasing the area.</p>
2	3.6.2	<p>Companies are encouraged to ensure that all fertilizer workers are included in the health screening program.</p>
3	4.4.1	<p>The results of document verification revealed that the area of the Himado KUD plasma consisted of 2,132 farmers. Up to this time the audit activity found that 1,771 farmers. Up to the ASA 2.1 audit activity (May 2023) the number of SHM that had been issued was 1,771 SHM with 2,454 land parcels. The results of document verification and interviews with management found that:</p> <ul style="list-style-type: none"> <li>a) there are 85 certificates at BPN where 27 of these 27 are awaiting committee A hearing</li> <li>b) 118 in the new application process</li> </ul> <p>Related to this, companies are encouraged to continue to monitor the process of obtaining SHM.</p>
4	4.8.1	<p>Even though the HGU has been obtained, it is known that there are still company areas controlled by other parties with an area of ± 3151.78 Ha, which are classified into community-owned plantation areas, farming/rice field areas, shrub areas and village areas, places of worship and other facilities. The results of interviews with the community around the company obtained information that so far there has been no open conflict between the company and the community regarding the land situation. The results of the interviews also revealed that the community had demanded the company to remove the area from the HGU so that a Certificate of Ownership could be issued.</p> <p>In relation to the situation above, it can be shown the proposed release of the occupied area from the CEO of KTB on February 18, 2023, through proposal No 018 /PSD-KTB/SIA/II/2021 Regarding the Request for Approval for the Relinquishment of Part of PT SIA's HGU for Community Enclave Land. The results of the interviews and document verification obtained information that the area is in the process of being approved by the leadership.</p> <p>Related to this, the company is encouraged to continue to monitor this process.</p>
5	7.11.2	<p>Ensuring monitoring of fire control equipment facilities and infrastructure.</p>

**3.4.2. Noteworthy Positive Components**

<b>No</b>	<b>Description</b>
1	Has received PROPERDA for the 2021-2022 period with the title "BLUE"
2	Has done partnerships with communities around the company
3	Providing proper drinking water facilities for workers (Reverse Osmosis)





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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Head of Dosan Village and Maringin Jaya</b></p> <ul style="list-style-type: none"> <li>The company's relationship with the village community is quite good as indicated by the existence of a CSR program.</li> <li>Has routinely held outreach, for example regarding protected areas and fire hazard.</li> <li>Has been informed and socialized about the mechanism for submitting complaints. So far, if there are questions or want to coordinate with the company, the field to be contacted is the Public Relations staff.</li> </ul>	<p>There are no issues that require further clarification, and this information has been explained in the relevant indicators.</p>
<p><b>Head of Hibun Village and Dayak Customary Leaders</b></p> <p>There are several problems currently developing, namely the problem of plasma smallholders' land entering forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB, the existence of collecting points, etc.</p>	<p>This has become a non-compliance with indicators 3.4.2, 3.4.3 and 5.2.1</p>
<p><b>Himado Cooperative and Sepadan Jaya Cooperative</b></p> <p>There are several problems currently developing, namely the problem of plasma smallholders' land entering forest areas, legality of plasma smallholders' land, road access, social assistance and CSR, the price of FFB, the existence of collecting points, etc.</p>	<p>This has become a non-compliance with indicators 3.4.2, 3.4.3 and 5.2.1</p>
<p><b>Previous Land Owner</b></p> <p>The land compensation process for the certification unit was completed before 2005, during period of 1997-1999. All record of compensation process made in Bahasa and signed by affected parties. From the results of interviews with relevant stakeholders, it is known that there is no customary land in the unit of certification's operational area. From the results of the verification of land compensation documents, it is known that land compensation is carried out directly to landowners witnessed by local government.</p>	<p>There are no issues that require further clarification and this information has been explained in the relevant indicators.</p>
<p><b>Labor Union</b></p> <ul style="list-style-type: none"> <li>The company has provided PPE and wages in accordance with applicable regulations</li> <li>The company routinely conducts high-risk health checks and periodic health checks.</li> <li>There are Fixed Period Working Agreement workers but for maintenance and support work. The work agreement Fixed Period Working Agreement has been submitted to the Department of Manpower</li> <li>The company has provided outreach regarding CLA, company policies, work procedures and others.</li> </ul>	<p>There are no issues that require further clarification and this information has been explained in the relevant indicators.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee</b></p> <ul style="list-style-type: none"> <li>The gender committee consists of representatives of men and women.</li> <li>There have been no cases of sexual harassment in the last 1 year.</li> <li>The company provides break time for new mothers to breastfeed their children.</li> <li>Menstrual leave is available with a reporting mechanism to the foreman and will be examined at the clinic.</li> <li>Maternity leave is given 1.5 months before and 1.5 months after giving birth by showing the results of a doctor's examination.</li> <li>There is no difference between male workers and female workers. Every worker has the same rights in terms of employment opportunities as well as protection of anonymity.</li> </ul>	<p>There are no issues that require further clarification, and this information has been explained in the relevant indicators.</p>
<p><b>Sanggau Regency Environmental Service</b></p> <p>Based on the results of interviews with the Environmental Agency, information was obtained that the company had completed and completed all the required licensing requirements and routinely reported the results of the required environmental management according to the schedule. The company also routinely conducts training on handling forest and land fires involving local communities and agencies.</p> <p>Interview results with the Sanggau Regency Environmental Service also stated that they had provided a recommendation to update the Environmental Document because the condition of the WWTP pond did not match the environmental documents they had, as well as several other findings, but the agency also stated that authority was not in the district office because the company is a foreign investor so that the authority is in the Ministry.</p>	<p>There is nothing that needs to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Sanggau District Manpower and Transmigration Office</b></p> <p>Based on the results of the interviews, information was obtained that the company had completed all the required requirements, for example, routinely conducting online Mandatory Manpower Reports according to a predetermined schedule. The agency also added that the company has implemented the minimum wage that applies in Sanggau Regency and has a wage scale structure for all levels of workers. Then the workers have been registered with <i>BPJS</i> for employment and health in accordance with applicable laws. Over the past year, there have been no negative issues related to employment such as discrimination, child labour, forced labour, etc.</p>	<p>There is nothing that needs to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>Sanggau Regency Plantation Service.</b></p> <ul style="list-style-type: none"> <li>The unit of certification has reported the Plantation Business Progress Report periodically.</li> </ul>	<p>There is nothing that needs 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>The relationship between the unit of certification and the Office of Plantations is well established.</li> <li>The unit of certification already has a smallholder scheme and is already running.</li> <li>There is no information regarding the fire so far.</li> </ul>	
<p><b>Sanggau District Land Office</b></p> <ul style="list-style-type: none"> <li>From the results of the consultation, it is known that there is no location permit and new <i>HGU</i></li> <li>The company already has a valid <i>HGU</i>.</li> <li>There are no complaints or reports of disputes from the local community</li> <li>PT SIA's operational area originates from <i>APL</i>.</li> </ul>	<p>There is nothing that needs to be further verified, all the information obtained from the interview results has been conveyed to the relevant indicators.</p>
<p><b>PT Bangun Melawi Persada (CPO/ Transporter)</b></p> <ul style="list-style-type: none"> <li>Communication with the company went well.</li> <li>Both parties and each party have signed a copy of the contract.</li> <li>Contractor payments are made in accordance with the time set out in the contract.</li> <li>The company routinely evaluates contractors every month.</li> <li>Contracts are made based on tenders.</li> </ul>	<p>There are no issues/events/complaints that require further verification by the auditor.</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	Formal Sign-off of Assessment Findings
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p><b>PT Sedjahtera Indo Agro</b> Head of Sustainability</p>  <p><b><u>Alagendran Maniam</u></b> Friday, 25 August 2023</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Moh Arif Yusni</u></b> Friday, 25 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	Head of Dosan Village	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
2	Labor Union	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
3	Gender Committee	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
4	Head of Hibun Village	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
5	Cooperative Himado	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
6	Sepadana Jaya Cooperative	Sanggau Regency	-	Direct Interview	22 May 2023	✓	
7	Head of Dosan Village	Sanggau Regency		Direct Interview	22 May 2023	✓	
8	Head of Maringin Jaya Village	Sanggau Regency		Direct Interview	22 May 2023	✓	
9	Dayak Customary Leaders	Sanggau Regency		Direct Interview	22 May 2023	✓	
10	PT Bangun Melawi Persada	Sanggau Regency		Direct Interview	22 May 2023	✓	
11	Sanggau Regency Plantation and Animal Husbandry Service	Sanggau Regency		Direct Interview	22 May 2023	✓	
12	Sanggau Regency Manpower Office	Sanggau Regency		Direct Interview	22 May 2023	✓	
13	Sanggau Regency National Land Agency	Sanggau Regency		Direct Interview	22 May 2023	✓	
14	Sanggau Regency Environmental Service	Sanggau Regency		Direct Interview	22 May 2023	✓	
15	Sawit Watch	Jakarta	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	15 May 2023		✓
16	WWF	Jakarta	supporter-service@wwf.or.id	Email	15 May 2023		✓
17	Walhi	Jakarta	informasi@walhi.or.id	Email	15 May 2023		✓
18	AMAN	Jakarta	rumahaman@aman.or.id	Email	15 May 2023		✓
19	<b>Bukit Ajong POM</b> <ul style="list-style-type: none"><li>• 3 grading operators</li><li>• 1 loading ramp operator</li><li>• 1 operator sterilizer</li><li>• 1 machine room operator</li><li>• 2 boiler operators</li><li>• 1 WWTP operator</li><li>• 2 sterilized operators</li><li>• 2 press operators</li><li>• 1 clarification worker</li><li>• 1 engine room worker</li><li>• 1 kernel operator</li></ul>	Sanggau Regency				✓	
20	<b>East Estate</b> <ul style="list-style-type: none"><li>• 6 harvesters</li><li>• 2 harvest foremen</li><li>• 3 FFB transport workers</li></ul>	Sanggau Regency				✓	

21	<b>West Estate</b> <ul style="list-style-type: none"> <li>• 1 daycare worker</li> <li>• 1 nurse</li> <li>• 2 warehouse clerks</li> <li>• 2 workshop workers</li> <li>• 4 spraying workers</li> <li>• 2 EFB Application workers</li> <li>• 2 harvester workers</li> </ul>	Sanggau Regency				✓	
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**Appendix 2. Assessment Program**

TANGGAL	22 – 28 May 2023	
RENCANA WAKTU	PROSES / HAL YANG DIAUDIT	AUDITOR
<b>Monday, 22 May 2023</b>		
08.00 – 09.30	<b>JAKARTA → PONTIANAK</b>	<b>All Auditor &amp; ASI ASSESSOR</b>
10.00 – 14.00	<b>PONTIANAK → SITE</b>	
14.30 – 15.30	<b>Opening Meeting Auditor with ASI</b>	<b>All Auditor &amp; ASI ASSESSOR</b>
15.30 – 16.30	<b>Opening meeting</b> - Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) - Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)	<b>All Auditor</b>
16.30 – 17.00	Verification of Basic Information Mill and Estate  Confirmation of Time Bound Plan  Review of Partial Certification  Verification result of previous assessment	<b>All Auditor</b>
<b>Tuesday, 23 May 2023</b>		
08.00 – 12.00	Public consultation with stakeholder to relevant agency in Sanggau Regency  Stakeholder consultation to affected communities surrounding the plantations and previous land owner  Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders	<ul style="list-style-type: none"> <li>• RAN</li> <li>• MAY / RAB</li>   <li>• KID</li> </ul>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.15	<b>Field observation to Bukit Ajong MILL :</b> - Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) - Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) - Implementation of Employment Procedure and Mechanism Aspect	<ul style="list-style-type: none"> <li>• MAY</li> <li>• RAB</li> <li>• RAN</li> </ul>
14.00 – 16.15	// Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders	<ul style="list-style-type: none"> <li>• KID</li> </ul>
16.15 – 17.00	Presentation of Daily Progress	<b>All Auditor</b>
<b>Wednesday, 24 May 2023</b>		

TANGGAL	22 – 28 May 2023	
RENCANA WAKTU	PROSES / HAL YANG DIAUDIT	AUDITOR
08.00 – 12.00	Stakeholder consultation to affected communities surrounding the plantations and previous land owner	<ul style="list-style-type: none"> <li>MAY</li> </ul>
08.00 – 12.00	<b>Field Observation to EAST 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>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<ul style="list-style-type: none"> <li>RAB</li> <li>RAN</li> <li>RAB</li> <li>RAN</li> <li>KID</li> <li>KID</li> </ul>
12.00 – 14.00	<ul style="list-style-type: none"> <li>Break</li> </ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	
<b>Thursday, 25 May 2023</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
12.00 – 14.00	<ul style="list-style-type: none"> <li>Break</li> </ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	
<b>Friday, 26 MAY 2023</b>		
08.00 – 12.00	<b>Field Observation to WEST 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>Implementation of Employment Procedure and Mechanism Aspect</li> <li>Observation of Workers Facilities (Housing, School, Worship Place)</li> </ul>	<ul style="list-style-type: none"> <li>MAY</li> <li>RAN</li> <li>RAB</li> <li>RAM</li> <li>KID</li> <li>KID</li> </ul>



TANGGAL	22 – 28 May 2023	
RENCANA WAKTU	PROSES / HAL YANG DIAUDIT	AUDITOR
12.00 – 14.00	<ul style="list-style-type: none"> <li>• <b>Break</b></li> </ul>	All Auditor
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Verification of stakeholder consultation result and field visit.</li> <li>• Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>• Presentation of Daily Progress</li> </ul>	
<b>Saturday, 27 MAY 2023</b>		
07.00 – 08.30	Internal discussion by auditor team preparing for Closing Meeting	
09.00 – 10.30	<b>Closing Meeting</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, TimeLine of CAR's, Conclusion)/</li> <li>• Comments, Responses and Questions</li> </ul>	All Auditor
12.00 – 17.00	<b>PT SIA → PONTIANAK</b>	
19.00 – 20.00	<b>Closing Meeting Auditor with ASI</b>	All Auditor & ASI ASESSOR
<b>Sunday, 28 May 2023</b>		
09.00 -	<b>PONTIANAK → JAKARTA</b>	All Auditor & ASI ASESSOR