

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

**[ ✓ ] Surveillance**

Name of Management Organisation : Tanah Gambus Palm Oil Mill – PT Socfin Indonesia subsidiary of Socfin SA  
 Plantation Name : PT Socfin Indonesia - Tanah Gambus Estate  
 Location : Tanah Gambus Village, Sub District of Lima Puluh, District of Batubara, Province of Sumatera Utara, Indonesia  
 Certificate Code : **MUTU-RSPO/164**  
 Date of Initial Registration : 04 November 2011  
 Date of Certificate Issue : 25 November 2021      Date of License Issue : 04 November 2023  
 Date of Certificate Expiry : 03 November 2026      Date of License Expiry : 03 November 2024

Assessment	Assessment Date	PT. Mutuagung Lestari Tbk Auditor	Reviewed by	Approved by
ASA-2.2	21 to 25 August 2022	Octo HPN Nainggolan (LA Witnessing), Afiffuddin (LA Witnessed), Fauzi Prima Sanusi, Johannes Kapri Pandiangan, and Mia Rahmah Qadryani	Moh. Arif Yusni	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2.2	<b>04 December 2023</b>

**TABLE OF CONTENT**

**FIGURE**

Figure 1. Location Map of PT Socfin Indonesia – Tanah Gambus	1
Figure 2. Operational Map of PT Socfin Indonesia – Tanah Gambus	2

Abbreviations Used	3
--------------------	---

**1.0 SCOPE of the CERTIFICATION ASSESSMENT**

1.1 Assessment Standard Used	4
1.2 Organisation Information	4
1.3 Type of Assessment	4
1.4 Location of Mill and Plantations	4
1.5 Description of Area Statement	4
1.6 Planting Year and Cycle	5
1.7 Description of Mill and Supply Base	6
1.8 Estimate Tonnage of Certified Product	6
1.9 Other Certifications	7
1.10 Time-Bound Plan	7

**2.0 ASSESSMENT PROCESS**

2.1 Assessment Team	10
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	10
2.3 Stakeholder Consultation and Stakeholders Contacted	13
2.4 Determining Next Assessment	13

**3.0 ASSESSMENT FINDINGS**

3.1 Summary of Assessment Report of the RSPO Certification	14
3.2 Conformity Checklist of Certificate and Trademark Use	66
3.3 Summary of RSPO Partial Certification	67
3.4 Identification of Findings, Corrective Actions, Observations, Opportunity for Improvement and Noteworthy Positive Components	71
3.5 Summary of Arising Issues from Public and Auditor Verification	84

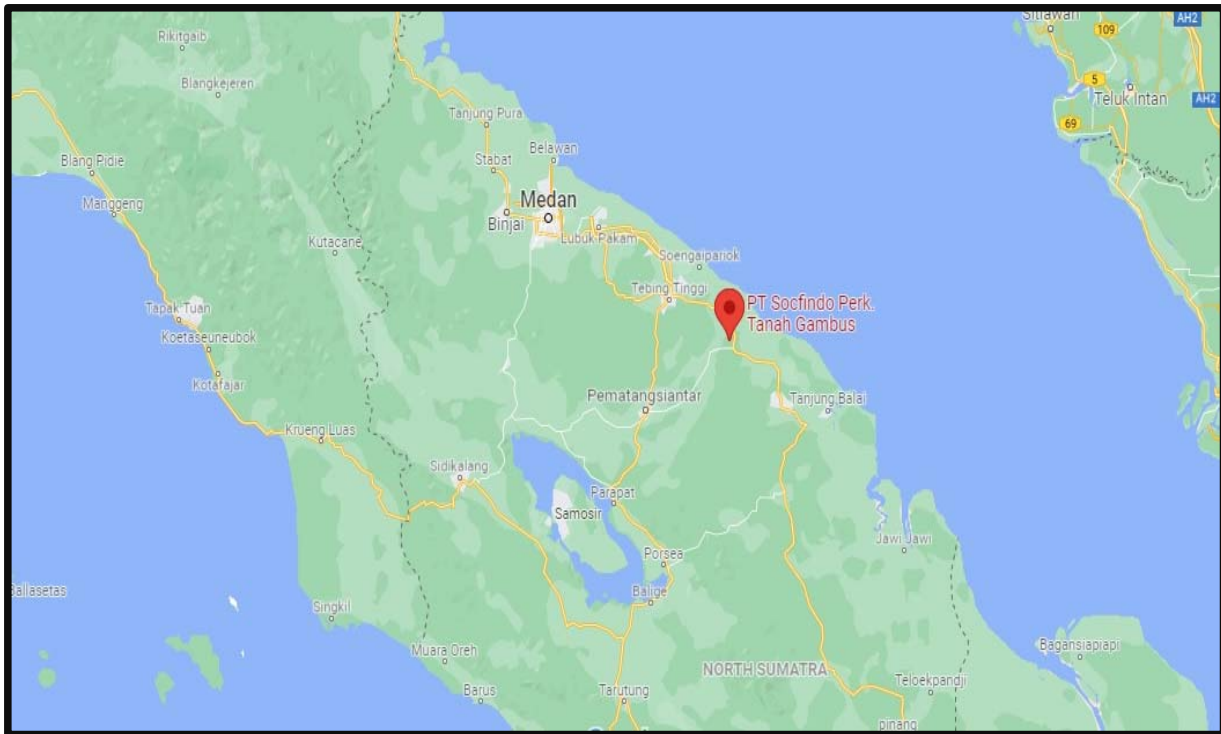
**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

4.1 Formal Signing of Assessment Findings	88
---	----

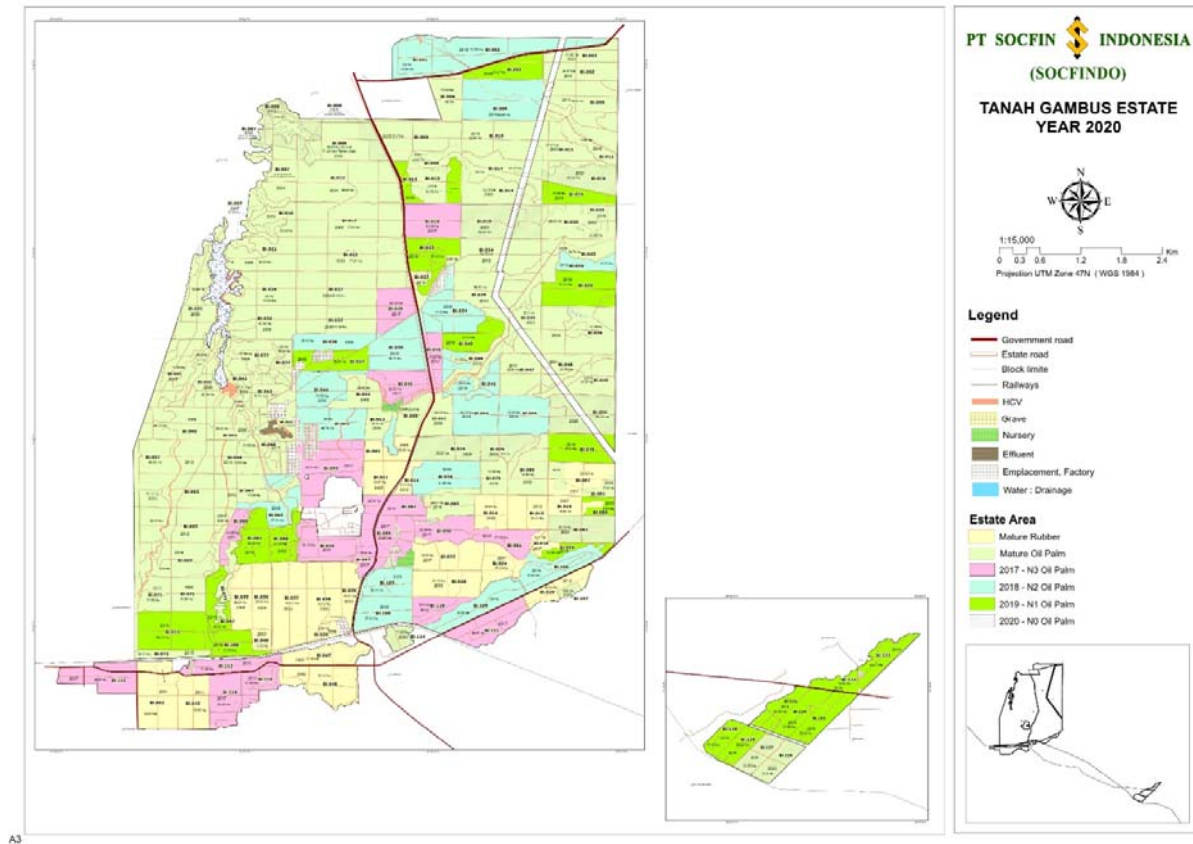
**APPENDICES**

1. List of Stakeholders Contacted in the RSPO Certification Process	89
2. Assessment Program	91

**Figure 1. Location Map of PT Socfin Indonesia – Tanah Gembus**



**Figure 2. Operational Map of PT Socfin Indonesia – Tanah Gambus**



**Abbreviations Used**

AMDAL	:	<i>Analisis Mengenai Dampak Lingkungan</i>
BMP	:	Best Management Practice
BOD	:	Biological Oxygen Demand
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> (Social Security Administrator)
BPN	:	<i>Badan Pertanahan Nasional</i>
COD	:	Chemical Oxygen Demand
Covid-19	:	Corona Virus Disease 2019
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EHS	:	Environmental Health and Safety
EIA	:	Environment Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Inform and Consent
GHG	:	Green House Gas
HCS	:	High Carbon Stock
HCV	:	High Conservation Values
HGU	:	<i>Hak Guna Usaha</i>
IHT	:	In House Training
KLHK	:	<i>Kementerian Lingkungan Hidup dan Kehutanan</i>
LTA	:	Lost Time Accident
NGO	:	Non Government Organization
OHS	:	Occupational Health and Safety
PEL	:	<i>Penyajian Evaluasi Lingkungan</i> (environment evaluation presentation)
PLB3	:	<i>Pengelolaan Limbah Bahan Berbahaya dan Beracun</i> (Hazardous dan Toxic materials waste management)
PP	:	<i>Peraturan Pemerintah</i>
PPA	:	<i>Pengendalian Pencemaran Air</i> (water pollution control)
PPU	:	<i>Pengendalian Pencemaran Udara</i> (air pollution control)
RKL-RPL	:	<i>Rencana Kelola Lingkungan – Rencana Pemantauan Lingkungan</i> (environment management and monitoring plan)
SIMPEL	:	<i>Sistem Pelaporan Elektronik</i> (electronic system report)
SOP	:	<i>Standard Operation Procedure</i>
TTE	:	<i>Tanda Terima elektronik</i> (electronic receipt)
UKL-UPL	:	<i>Upaya Kelola Lingkungan – Upaya Pemantauan Lingkungan</i>

<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>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</li> <li>Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.</li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	PT Socfin Indonesia – Socfin SA	
1.2.2	Contact person	Andria Zulmanitra	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>RSPO registered company: Societe Financiere des Caouthchoucs 4, Avenue Guillaume 1650, Luxembourg.</li> <li>Liaison Office: Jl. K.L. Yos Sudarso No. 106, Medan 20115, Province Sumatera Utara.</li> </ul>	
1.2.4	Telephone	(+62-61) 6616066	
1.2.5	Fax	(+62-61) 6614390	
1.2.6	E-mail	<a href="mailto:andria@socfindo.co.id">andria@socfindo.co.id</a>	
1.2.7	Web page address	<a href="http://www.socfindo.com">www.socfindo.com</a>	
1.2.8	Management Representative who completed the application for certification	Andria Zulmanitra Head of Sustainability Sub Department	
1.2.9	Registered as RSPO member	1-0269-19-000-00, 06 December 2004	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Tanah Gambus POM, Tanah Gambus Estate	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Tanah Gambus Mill	Tanah Gambus Village, Sub District of Lima Puluh, District of Batubara, Province of Sumatera Utara, Indonesia	N 03° 12' 14"      E 99° 24' 16"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Tanah Gambus Estate	Tanah Gambus Village, Sub District of Lima Puluh, District of Batubara, Province of Sumatera Utara, Indonesia	N 03° 12' 14"      E 99° 24' 16"
<b>1.5</b>	<b>Description of Area Statement</b>		
1.5.1	Tenure		
	<ul style="list-style-type: none"> <li>State</li> </ul>	4,974.29 Ha	

	• Community	- Ha
1.5.2	<b>Area Statement</b>	
	• <b>Total area</b>	<b>4,974.29 Ha</b>
	• Mature area	3,799.18 Ha
	• Immature area	962.15 Ha
	• Emplacement	34.80 Ha
	• Nursery	5.49 Ha
	• HCV	56.18 Ha
	• Effluent Area	3.81 Ha
	• Bamboo Area	2.58 Ha
	• PLN Line	6.66 Ha
	• Isolation Drain	11.46 Ha
	• Government Office	39.64 Ha
	• Toll Road	52.34 Ha
*The current total HCV area according to the HCV delineation in June 2021 is 65.70 Ha consisting of cemetery, riparian and swamp area of 56.18 ha and contained in a planted area of 9.52 ha		
1.6	<b>Planting Year and Cycles</b>	
1.6.1	Age profile of planting year	
	<b>Planting Year</b>	<b>Hectarage (Ha)</b>
		<b>Tanah Gambus Estate      Total</b>
	2003	38.26      38.26
	2004	140.24      140.24
	2005	139.16      139.16
	2006	237.86      237.86
	2007	22.41      22.41
	2008	88.18      88.18
	2009	87.27      87.27
	2010	118.05      118.05
	2011	183.00      183.00
	2012	177.74      177.74
	2013	185.22      185.22
	2014	131.96      131.96
	2015	167.31      167.31
	2016	109.38      109.38
	2017	585.28      585.28
	2018	588.61      588.61
	2019	480.24      480.24
	2020	319.01      319.01
	<b>Sub Total Mature</b>	<b>3,799.18      3,799.18</b>

	2021	173.87	173.87
	2022	337.27	337.27
	2023	451.01	451.01
	<b>Sub Total Immature</b>	<b>962.15</b>	<b>962.15</b>
	<b>TOTAL</b>	<b>4,761.33</b>	<b>4,761.33</b>
1.6.2	New Planting area after January 2010	-	Ha
1.6.3	Planting Cycle	1 <sup>st</sup> Cycle and 2 <sup>nd</sup> Cycle	
<b>1.7</b>	<b>Description of Mill and Supply Base</b>		
1.7.1	Description of Mill		
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>
			<b>CPO</b>
			<b>Out put (tonnes)</b>
			<b>Extraction (%)</b>
			<b>Palm Kernel</b>
			<b>Out put (tonnes)</b>
			<b>Extraction (%)</b>
	Tanah Gambus	37	89,447.83
			20,709.74
			23.15
			2,626.41
			2.94
	*Production data source from August 2022 to July 2023		
1.7.2	Description of Certification Scope of Supply Base		
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>
			<b>FFB (tonnes/year)</b>
			<b>Yield (tonnes/ ha/year)</b>
			<b>Supplied to Mill</b>
			<b>FFB (tonnes/year)</b>
			<b>%</b>
	Tanah Gambus	4,974.29	3,799.18
			89,447.83
			23.54
			89,447.83
			100
	*Production data source from August 2022 to July 2023		
1.7.3	FFB description from other source		
	<b>Name of Sources/Organisation (RSPO certified / non-certified)</b>	<b>Type of Organisation</b>	<b>Number of Smallholders</b>
			<b>Production Area (Ha)</b>
			<b>Supplied to Mill</b>
			<b>FFB (tonnes/year)</b>
	-	-	-
	<b>TOTAL</b>		
			-
	*Production data source from August 2022 to July 2023		
1.7.4	Product categories	FFB, CPO, PK	
<b>1.8</b>	<b>Tonnage of Product</b>		
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (5 December 2022 to 4 January 2024) (MT)	Last Year Actual Certified Volume (August 2022 to July 2023) (MT)
	FFB Processed	106,346	89,447.83
	CPO Production	24,502	22,652.23
	Palm Kernel (PK) Production	3,636	2,728.11
1.8.2	Product selling		
	Type of selling product	Actual selling product for last year (August 2022 to July 2023) (MT)	



	CSPO sold as RSPO certified product							21,931.58
	CSPK sold as RSPO certified product							2,653.36
	CSPO sold under other scheme							0
	CSPK sold under other scheme							0
	CSPO sold as conventional							0
	CSPK sold as conventional							0
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Tanah Gambus	4,974.29	3,799.18	91,000	23.95			
	*Projected FFB production for 12 months of certificate							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Tanah Gambus	37	91,000	20,930	23.00	3,185	3.5	IP
	*Projected CSPO and CSPK production for 12 months of certificate							
1.9	<b>Other Certifications</b>							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	ISPO			8 May 2015				
1.10	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>MILL</b>	<b>Time Bound Plan</b>						
	Tanah Gambus POM	2016	Tanah Gambus Estate	2016	Batubara District, Sumatera Utara Province	Certified		
	Bangun Bandar POM	2016	Bangun Bandar Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Certified		
	Negeri Lama POM	2016	Negeri Lama Estate	2016	Labuhanbatu District, Sumatera Utara Province	Certified		
	Mata Pao POM	2016	Mata Pao Estate	2016	Serdang Bedagai District, Sumatera Utara Province	Certified		
	Aek Loba POM	2016	Aek Loba Estate	2016	Asahan District, Sumatera Utara Province	Certified		
	Sungai Liput POM	2016	Sungai Liput Estate	2016	Aceh Tamiang District, Aceh Province	Certified		
	Seunagan POM	2015	Seunagan Estate	2015	Nagan Raya District, Aceh Province	Certified		

Seumayam POM	2015	Seumayam Estate	2015	Nagan Raya District, Aceh Province	Certified
Lae Butar POM	2015	Lae Butar Estate	2015	Singkil District, Aceh Province	Certified
Okomu Oil Palm Company Extension 1 POM	2020	Okomu Oil Palm Company Main Estate	2020	Nigeria	Certified
		Okomu Oil Palm Company Extension 1 Estate	2023		Uncertified
Okomu Oil Palm Company Extension 2 POM	2023	Okomu Oil Palm Company Extension 2 Estate	2023		Uncertified
Safacam POM	2020	Safacam TF129, TF136, TF180, TF, Bail Ossa	2020	Cameroon	Certified
		Safacam TF151	2022		Certified
		Safacam Provisional Concession	2023		Uncertified
Socapalm Dibombari POM	2022	Socapalm Dibombari Estate	2022		Certified
Socapalm Edea POM	2021	Socapalm Edea Estate	2021		Certified
Socapalm Mbongo POM	2021	Socapalm Mbongo Estate	2021		Certified
Socapalm Mbambou POM	2021	Socapalm Mbambou Estate	2021		Certified
Socapalm Kienké POM	2022	Socapalm Kienké Estate	2023		Certified
Socapalm Eséka POM	2021	Socapalm Eséka POM (no estate)	2021		Certified
Brabanta POM	2022	Sanga Sanga, Kadima, and Kanangai Estates Estate	2022		Democratic Republic of Congo
		Lumbundji and Savannah Estates	2023	Uncertified	
Plantations Socfinaf Ghana (PSG) POM	2022	PSG Manso	2022	Ghana	Certified
		PSG Subri	2023		Uncertified
SOGB POM	2021	SOGB TF464	2021	Côte D'Ivoire	Certified
		SOGB TF465, TF466, TF467	2023		Certified
Socfin Agricultural Company (SAC) POM	2021	Socfin Agricultural Company (SAC) Estate	2021	Republic of Sierra Leon	Certified
Agripalma POM	2021	Titulo 409 Estate	2021	Sao Tome et Principé	Certified
		Titulo 410 Estate	2023		Uncertified

*\*TBP update by UoC on 23 May 2023.*

Based on internal audit of uncertified unit in 2023, most of uncertified unit still have RaCP in progress, with explanation below:

- **Okomu Oil Palm Company Extension 1 Estate** → Will be audited as a scope extension during the following surveillance audit of Okomu Oil Palm Company Main Estate and Extension 1. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Currently undergoing the

	<p>RaCP process for this area. Annex 8 review by RSPO has been done. It will now undergo the last external review. When the Annex 8 is approved, the mill and estate will be certified.</p> <ul style="list-style-type: none"> <li>• <b>Okomu Oil Palm Company Extension 2 POM and Okomu Oil Palm Company Extension 2 Estate</b> → The mill and estate were audited in September 2023. Only 1 NC remains, that of the RaCP. Annex 8 review by RSPO has been done. It will now undergo the last external review. When the Annex 8 is approved, the mill and estate will be certified.</li> <li>• <b>Safacam Provisional Concession</b> → Will be audited as a scope extension during the following surveillance audit of Safacam in Q3 2023.</li> <li>• <b>Titulo 410 Estate</b> → Will be audited as a scope extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. RaCP Annex 8 approved on 23/05/2023 allowing this to go ahead.</li> <li>• <b>Lumbundji and Savannah Estates</b> → Will be audited as a scope extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Annex 8 review for this area by RSPO has been done. It is currently undergoing external review.</li> <li>• <b>PSG Subri Estate</b> → Will be audited as a scope extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Currently undergoing the RaCP process for this area. The Annex 7 has been submitted.</li> </ul>
1.10.2	<b>Progress of Associated Smallholders and Out growers for Certifiable Standard</b>
	The Company didn't have associated smallholders and out growers.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-2.2</b>	<p><b>1. Octo HPN Nainggolan (Lead Auditor Witnessing).</b> Indonesian citizen, Bachelor of Agriculture, majoring in Agricultural Socio-Economic (Agribusiness). Seven years of experience working since 2004 in oil palm plantation companies in Indonesia and participated in several trainings, namely: Nature Conservation Training and Biological Resources in HCV support, Basic Plantation Management Program, Integrated Pest Management training, Management System Certification (ISO 9001-2008 / SNI 19011 -9001:2008), Environmental Management System (ISO 14001:2004), OHSAS based SMK3, RSPO Lead Auditor Course supported by Proforest and Wild Asia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and Lead training RSPO Renewable Energy Directive auditors. He currently works as an auditor at the Certification Body. During the audit he witnesses the team.</p> <p><b>2. Afiffuddin (Lead Auditor Witnessed).</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Lead Auditor ISPO in 2016, RSPO P&amp;C Lead Auditor Course in 2018, RSPO Supply Chain Certification Lead Auditor Course in 2021, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. During this audit, he assigned to verify legal aspect, land dispute, SCCS, Worker Welfare and Transparencies aspects.</p> <p><b>3. Fauzi Prima Sanusi</b> Indonesian citizens. Bachelor of Forestry. Has work experience in HSE for 8 years, Environmental NGO for 4 years. Trainings he has attended include Proper Training, General OHS Expert, Biodiversity Study, HCV, Water and Air Monitoring Management, ISO 14001:2004 Auditor, FSC Auditor, PHPL Auditor 2014, ISPO Auditor 2018, RSPO Auditor in 2022, Forest and Land Fire Control Training 2014, has participated in audit activities for PHPL Since 2016 FSC Audit 2017, ISPO Audit 2018 and RSPO since 2021 In this audit activity, verification in the field of GHG, Conservation, dan Environment.</p> <p><b>4. Johannes Kapri Pandiangan (Auditor).</b> Bachelor of Agriculture, Department of Agricultural Social-Economics, Faculty of Agriculture. Has 7 years of experience working as operational staff in one of the leading private oil palm plantation companies in Indonesia. The training that has been attended includes Forest and land fire emergency response training by BKSDA Riau Province, IHT ISPO P&amp;C Certification System, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, ISO 14001: 2015 Lead Auditor Training, and ISO 9001:2015 Lead Auditor Training During this audit he verify Best Management Practices and OHS.</p> <p><b>5. Mia Rahmah Qadryani (Auditor Trainee).</b> Indonesian citizen. Bachelor of Agriculture Majoring in Pest and Plant Disease, Universitas Padjadjaran. The training she has followed namely: ISO 9001 and ISO 19011 Lead Auditor Training in 2021, ISPO Auditor Training in 2022, Awareness ISO 17021 in 2021, Awareness ISO 17065 in 2021, Awareness ISO 14001 in 2021, and Awareness ISO 45001 in 2021. She has participated in several audit simulation activities related to the social and worker welfare. During this audit, she verified Worker Welfare and Transparencies supervised by Lead Auditor.</p> <p>Curriculum vitae (CV) of the members and the assessment team is available at the PT Mutuagung Lestari office</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-2.2</b>	<p>Number of auditors: 3 auditors and 1 Auditor Trainee</p> <p>Number of days for <b>ASA-2.2</b> at site: 5 days</p> <p>Number of working days for <b>ASA-2.2</b> at site: 15 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-2.2</b>	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Socfin Indonesia – Tanah Gambus POM to the requirements of <b>RSPO Certifications Systems for Principles &amp; Criteria and RSPO Independent Smallholders Standard (Endorsed by RSPO Board of Governors on 12 November 2020) and Indonesia National Interpretation RSPO Principles and Criteria for the Production of</b>

**Sustainable Palm Oil 2018 Endorsed by the RSPO Board of Governors on 20<sup>th</sup> April 2020**

The scope of certification of PT Socfin Indonesia consist of one mill (Tanah Gambus POM) and one estate (Tanah Gambus Estate).

The audit program is included as Appendix 2. 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 estate. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to 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. There is no opportunities for improvement of the results ASA-2.2 by the MUTU auditor to the management unit. Improvement of findings from ASA-2.1 findings were observed by auditors at this ASA-2.2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.2.

The opening meeting was held on 21 August 2023. As for the participants who attended the opening meeting included the Group Estate Manager, Estate and Mill Managers, Support Team from Medan, and other staff. Closing meeting was held on 25 August 2023 attended by the same participants as the opening meeting. Management PT Socfin Indonesia accept all the onsite ASA-2.2 audit results.

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

Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.

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.

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

The assessment program please find Appendix 2.

<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-2.2</b>	<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>Tanah Gambus POM</b></p> <ul style="list-style-type: none"> <li>• <b>Security Post.</b> Observations and interviews related to work procedures, supply chain, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Weighbridge Station.</b> Observations and interviews related to work procedures, supply chain, employment, complaint mechanisms and OHS aspects.</li> <li>• <b>Sortation Station.</b> Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.</li> </ul>

- **Despatch Station.** Observations and interviews related to work procedures, housekeeping, environmental management, employment, complaint mechanisms and OHS aspects.
- **Oil warehouse.** Field observations and interview related chemical management, OHS, and environmental aspect.
- **Chemical warehouse.** Field observations and interview related chemical management, OHS, and environmental aspect.
- **Spare part Warehouse.** Field observations and interview related spare part management, OHS, and environmental aspect.
- **Workshop.** Field observations workshop activity, OHS, environmental and worker welfare aspect.
- **Water Treatment Plant.** Observations and interviews with officers related to work procedures, OHS, wages, water usage, and environmental management.
- **Solar Tank.** Field observations related to OHS and environmental aspects.
- **WWTP.** Field observations related to WWTP entry, runoff, effluent testing. Officers are equipped with PPE and effluent discharge records.
- **Empty Bunch Hopper.** Observations related to material handling, OHS and environmental management.
- **Stations sterilizer.** Observations and interviews related to the processing of FFB, yield quality, losses, OSH aspects and employment.
- **Stations press.** Observations and interviews related to the processing of FFB, yield quality, losses, OSH aspects and employment.
- **Boiler Station.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Engine room.** Observations and interviews related to operations, understanding of emergency response, OSH aspects and employment.
- **Workshop.** Field observations and interview related workshop activity, OHS, environmental and worker welfare aspect.
- **Hydrant.** Field observations related to fire emergency response preparedness.

**Tanah Gambus Estate:**

- **HCV Area Swamp Border Block 32 Division 2.** Observation of swamp border conditions, boundary markers, warning and prohibition boards, reforestation and indications of disturbance.
- **HCV Area Swamp Border Block 41 Division 2.** Observation of swamp border conditions, boundary markers, warning and prohibition boards, reforestation and indications of disturbance.
- **HCV Area Cemetery Block 22 Division 2.** Observation of cemetery conditions, boundary markers, warning and prohibition boards, reforestation and indications of disturbance.
- **Pole HGU No. VI Block 7 Division 2.** Observations related to monitoring and condition of HGU pole, land boundaries and potential land disputes/conflicts with the community/external parties.
- **Pole HGU No. VII Block 7 Division 2.** Observations related to monitoring and condition of HGU pole, land boundaries and potential land disputes/conflicts with the community/external parties.
- **Pole HGU No. X Block 8 Division 2.** Observations related to monitoring and condition of HGU pole, land boundaries and potential land disputes/conflicts with the community/external parties.
- **Pole HGU No. IX Block 8 Division 2.** Observations related to monitoring and condition of HGU pole, land boundaries and potential land disputes/conflicts with the community/external parties.
- **Fertilizer Warehouse.** Observation related to management of agrochemical material and waste, MSDS, emergency response facilities and the types of fertilizer used.
- **Agrochemicals Warehouse.** Observation related to management of oil and agrochemical material and waste, MSDS, emergency response facilities and the types of pesticides used.
- **Sparepart warehouse.** Observation minimum stock of PPE.
- **Hazardous Waste Temporary Storage.** Observations and interviews with officers related to work procedures, OHS, wages and environmental management.
- **Fuel tank.** Observation and interview related to OHS and waste management.
- **Workshop.** Observations and interviews with officers related to material handling, work procedures, OHS, wages and environmental management.



	<ul style="list-style-type: none"> <li>• <b>Housing Area, Division 2 and Division 1 &amp; 4.</b> Observation of the availability of infrastructure such as employee housing facilities, clean water facilities, and electricity facility.</li> <li>• <b>Daycare, Division 2 and Division 1 &amp; 4.</b> Observations and interviews with workers related to labor and OHS aspects.</li> <li>• <b>Rinse House.</b> Observation for spraying and manuring team facilities and also safety aspect.</li> <li>• <b>Fire tower, Division 5.</b> Observations related to fire monitoring management.</li> <li>• <b>Pratama Clinic.</b> Observations related to health facilities, environmental and OHS aspects.</li> <li>• <b>Landfill, Block 44 Division 3.</b> Observations related to domestic waste management, environmental aspects, and OHS.</li> <li>• <b>Spraying Circle &amp; Path, Block 19. Division I.</b> Observation and interviews related working procedure, OHS, employment, and environmental.</li> <li>• <b>Selective Spraying. Block 117. Division V.</b> Observation and interviews related working procedure, OHS, employment, and environmental.</li> <li>• <b>FFB harvest, Block 24 Division I and block 112 Division V.</b> Observations and interviews with harvesters regarding FFB harvesting activities, fruit quality, harvest rotation, OSH and employment aspects.</li> <li>• <b>Nursery.</b> Observation and interviews related working procedure, OHS, employment, and environmental.</li> </ul>
<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-2.2</b>	<p>Consultation of stakeholders for PT Socfin Indonesia was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on PT Mutuagung Lestari Website on 07 August 2023</li> <li>• Public consultation meeting with government institution (Environment Agency, Plantation Agency, Manpower Agency, and Land National Agency of Batubara District) on 22 August 2023.</li> <li>• Public consultation meeting with surrounding communities (Mangke Lama Village, Sumber Makmur Village and Tanah Gambus Village) on 22 August 2023.</li> <li>• Public consultation meeting with internal stakeholders and contractor (Labor Union, Gender Committee, CPO Transporter, and Local Contractor on 22 August 2023.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Socfin Indonesia</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	Please find appendix 1
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-2.3</b> ) will be conducted eight (8) month to twelve (12) month after license issued.

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Tanah Gambus POM – PT Socfin Indonesia, Socfin SA operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there were two (2) Nonconformities were assigned against Major Compliance Indicators and two (2) Nonconformities were assigned against Minor Compliance Indicators.

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

MUTUAGUNG LESTARI found that Tanah Gambus POM – PT Socfin Indonesia, Socfin SA Group complied with the requirements of **RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.**

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>Unit of certification showed the procedure of SOP of social communication (No. SOC/PSM/9.01 revision 7) validated on 1 October 2021 which explains the types of documents which are publicly accessible such as HCV documentation, corporate social responsibility programs, complaints, negotiation procedures, etc. These documents can be accessed by sending a request to the management. Besides, UoC also provided their document publicly accessible by publishing company’s policy at their website (e.g: code of ethics policy) and reporting their mandatory report to related stakeholders (e.g: mandatory manpower report to Manpower Agency).</p> <p>Based on the interview with Agencies of Batu Bara District, they stated that if they needed information, they would contact the company through the mobile app or information request letter and the company responded and submitted mandatory report in accordance with its period.</p>	
<b>1.1.2</b>	<p>UoC also showed the mandatory report submitted related to worker welfare in accordance with its period, here as follows:</p> <ul style="list-style-type: none"> <li>• Reporting of Employment Report for PT Socfindo Pekebunan Tanah Gambus via online in 2022 on 27 May 2022 and must be reporting back on 27 May 2023.</li> <li>• Reporting of Employment Report for PT Socfindo Pekebunan Tanah Gambus via online in 2023 on 9 May 2023 and must be reporting back on 9 May 2024.</li> <li>• Reporting of contract workers in PT Socfindo Perkebunan Tanah Gambus for 6 contract workers as daycare officers on 18 January 2023.</li> <li>• Reporting of contract workers in PT Socfindo Perkebunan Tanah Gambus for 70 harvesting workers on 20 June 2023.</li> <li>• Electronic receipt, TTE ID 1682410907-2195, period 01 January 2023 – 31 March 2023, print date 25 April 2023, Water Pollution Management report, status Reported</li> <li>• Electronic receipt, TTE ID 1673492119-2195, period 01 July 2022 – 31 December 2022, print date 12 January 2023,</li> </ul>	



*RKL-RPL* Report, Water Pollution Management Report, Air Pollution Control Report and Toxic Hazardous Waste Management Report with status Completed Report

- Electronic receipt, TTE ID 1673489407-1550, Quarter 4 period (01 October 2022 – 31 December 2022, print date 12 January 2023, Toxic Hazardous Waste Management Report, status Reported
- Electronic receipt, ID TTE 1682389596-1150, period I 01 January 2023 – 31 March 2023, print date, 25 April 2023, report on Temporary Storage of Hazardous Waste, status Reported
- Electronic receipt, ID TTE 1690464463-2195, period 01 January 2023 – 30 June 2023, print date: 27 July 2023, *RKL-RPL* Report, Water Pollution Management Report, Air Pollution Control Report and Hazardous Toxic Waste Management Report with status Reported
- Report on monitoring and condition of land fires in the second semester of 2022 which was reported to: the district head and the agriculture and plantation service of the Batubara district on 9 and 13 February 2023
- Report on monitoring and condition of land fires in the first semester of 2023 which was reported to: the district head and the agriculture and plantation service of the Batubara district on June 9, 2023
- OHS Committee report for the 1st quarter of 2023 which was submitted to the Batubara district manpower and transmigration office on April 24, 2023
- OHS Committee report for the 2nd quarter of 2023 which was submitted to the Batubara district manpower and transmigration office on July 31, 2023.

Based on the document review, all documents and information which are publicly accessible (mentioned in 1.1.1) were provided in Bahasa and understandable by each stakeholder.

Based on the interview with Agencies of Batu Bara District, they had a good understanding related the company accessible information and if they needed information, they would contact the company through the mobile app or information request letter and the company responded and submitted mandatory report in accordance with its period.

### **1.1.3**

UoC had recorded every requested information on a logbook of incoming and outgoing letters. Based on document verification, it was found that during 2022-2023 all incoming letters are requests for funds and invitation, the company has responded to the request.

UoC then showed outgoing letters which are the company's report to each stakeholder according to its period, not only for the respond to incoming letters.

Based on the interview with villagers in Tanah Gambus Village, Sumber Makmur Village and Mangke Lama Village, they have understood mechanism of communication and consultation. Normally, headman of the village or communities would send a letter as a form of communication.

### **1.1.4**

UoC also showed the record of the socialization regarding the SOP mentioned in 1.1.1 on 12 April 2023 attended by workers and contractor workers. In addition, based on the interviews with the contractors, villagers, agencies in Batu Bara District, labor union and gender committee, it is known that they had a good understanding of communication and consultation procedures.

In addition, UoC also put the board of communication procedure in any strategic spots for example in estate and mill office.

### **1.1.5**

UoC showed the current list of stakeholders which informed the internal and external stakeholders of Tanah Gambus Estate and Mill updated on 1 August 2023. The stakeholders include the government agencies, polices, heads of the community, internal stakeholders, women representatives, school, religious leader and contractors. In the current list of stakeholders, it was also explained the names, relation, addresses, categories, contact person numbers, and each stakeholder distance from the mill or estate.

During the assessment, auditor has verified the list of stakeholders by calling the contact person randomly due to ensure the validity of its contact person put in the list of stakeholder. The contacted stakeholder were matched as the contact person put in the stakeholder list. Besides, based on the document review of stakeholder list and all contractor collaborating agreements, it's known that all third parties collaborated with UoC for 12 months period before this assessment conducted has been put in the stakeholder.

**Status : Comply**

**1.2**

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

**1.2.1**

Unit of certification had a policy concerning on code of integrity in all operational activities and transactions including third parties. This policy stated in the PT Socfin Indonesia Policy Edision 1 (for workers and company) and Edition 2 (for third parties) validated in March 2019. It's explained that, the group committed to prohibit all workers from corruption, bribery and fraudulent use of funds and resources, prohibit any forced labor and human trafficking, etc. In addition, UoC also has Non-Discrimination and Equal Opportunity Policy of PT Socfindo updated in April 2021 which stated the prohibition of any discrimination on religion, race, sexual orientation, gender, national origin, caste, disability, gender identity, union membership, political affiliation, or age.

UoC's code of ethics had been socialized to the workers, smallholder workers and contractors, for example: Tanah Gambus Estate had carried out socialization on 15 May 2023 attended by workers and contractor workers (PT Mustika Karya Buana). Based on the interview with workers and contractor, it's known that they had a good understanding towards code of ethic policy. Based on explanation above, company has policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.

This policy has been implemented by the company in all business operations and transactions including recruitment and employment contracts. Code of ethics (anti-corruption and anti-bribery) are stated in every work agreement letter of third parties (contractors) and workers.

**1.2.2**

A comprehensive system for monitoring compliance and implementation of ethical business policies and practices was carried out through the Internal Audit for example the last ISPO and RSPO internal audit has carried on 2 to 3 August 2023. UoC also showed the mechanism in implementation UoC's policy as state on the agreement that the parties have to be fulfil the existing regulation such as do not employ any child labor, prohibit any corruptions and frauds, and disallowance of forced labor.

Based on the interviews with workers in mill and estate, they worked in the company wasn't through any agent or labor supplier and there were no any fees during recruitment.

UoC also showed some SOPs related to monitor the compliance and implementation of ethical business practices, here as follows:

- Policy of recruitment (No. SOC/PSM/6.01.01) validated on 20 February 2020 by the Principal Director which stated that there was no cost in recruitment process. The company had guaranteed the cost of recruitment if there were any migrant worker.
- SOP of handling social grievance (No. SOC/PSM/9.02 revision 8) validated on 28 June 2023 which stated that the company guaranteed the freedom of speech by keeping the identity of the employee confidentially.
- SOP of contractor management (No. SOC/PSM/4.16 revision 5) validated on 1 March 2021 which stated the mandatory compliance of every contractors including basic wage, UoC's policies, health and social security insurance, and other related regulation compliance.

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

**Status: Comply**

**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS****2.1****There is compliance with all applicable local, national and ratified international laws and regulations.****2.1.1**

The company has list of regulations updated in 2023 that includes local regulations and national regulation updated annually. List of regulations listed has covers several aspects including land permit and legality, manpower, occupational health and safety, best management practices and environment. UoC has been fulfilled the Indonesia law requirement in related aspect, such as:

**Manpower Aspect:**

- UoC has implemented a minimum wage and the fulfillment of overtime wages.
- UoC already has and implements a pay scale structure in accordance with Minister of Manpower Regulation No. 01 of 2017 for staffs.
- There was no illegal labor, underage labor and forced labor systems.
- UoC has registered all workers in health insurance and social security insurance.

**Enviromental Aspect:**

- Environment Impact Assessment (Penyajian Evaluasi Lingkungan hidup) of Tanah Gambus Plantation and Mill, Asahan Regency, Sumatera Utara Province, approved on March 17, 1994 with no RC.220/476/B/III/94.
- Hazardous Waste Warehouse Permit based on Decree of the Head of the Environmental Agency Batubara Regency No. 660/1052 dated May 25, 2018 and is valid for 5 years.
- Hazardous Waste Warehouse Permit based on Decree of the Head of the Environmental Agency Batubara Regency No. 660/644/TPS-LB3/2017 dated June 5, 2017 and is valid for 5 years.
- Liquid Waste Disposal Permit based on the Decree of the Batubara Regency No. 660/196/IPLC/2016 dated 7 December 2016 concerning Industrial Wastewater Disposal Permit. The permit is valid for up to 5 years.

**Best Management Practices**

In terms of best management practices, it is known that plantation and mill management has implemented several compliances with Indonesian laws and regulations, for example not using the burning method in the land clearing process, trees planted are from seed producers which are recognized by the Indonesian government. Company has implemented integrated pest management, biological control and only uses pesticides that are listed on the pesticide government website and no longer using pesticides with active ingredient paraquat dichloride in 2021 – 2023.

**OHS**

- Secretary of OHS organization is an OHS expert and has received a letter of appointment of a general OHS expert from the Ministry of Manpower of the Republic of Indonesia based on Decree No. 5/33440/AS.02.04/XII/2020 dated December 22, 2020.

**2.1.2**

The Company has mechanisms or procedures related to ensuring legal compliance in the Regulatory Compliance Identification and Evaluation Procedure Document (Doc No: SOC/PSM/4.05, effective date 15 May 2017, revision 08). This document informs several things, including:

- Legal staff is responsible for identifying and updating regulations.
- Relevant regulations are then included in the regulatory identification and evaluation list to summarize the content, determine the PIC, and form implementation in the field.
- Compliance evaluation is carried out every 6 months.
- Regulatory updates are carried out by contacting the source of regulations and other requirements via telephone, email, internet or other media.

The certification unit has documents related to legal compliance in the Legal Register Document which was last updated by the Head of General Affairs on July 5 2023 with a total of 259 regulations. The register is divided into several aspects, such as:

- Identification and evaluation of regulations and requirements for K3 Aspects
- Identification and evaluation of regulations and requirements for Environmental Aspects
- Identification and evaluation of regulations and requirements regarding other aspects (Legal, Worker Welfare, etc.)

PT Socfin Indonesia – Tanah Gambus does not accept FFB from other parties or from farmers/smallholders and only accepts FFB from Tanah Gambus Estate (company's operational area). This is evidenced by the review of FFB receipt documents from January 2021 to August 2023 in which Tanah Gambus Mill only received FFB from Tanah Gambus Estate and did not receive FFB from other parties. This is also consistent with the results of interviews with management and workers (weightbridge officers and sortation workers) who stated that the FFB received only came from Tanah Gambus Estate.

**2.1.3**

The certification unit has procedures and mechanisms related to the maintenance of boundary markers in the OHS and Environment Patrol Document (No. SOC/PSM/4.12, revision 6 dated 1 September 2021). The document informs several things related to monitoring of boundary markers, where patrol activities are carried out once a month. The procedure described that boundaries monitoring is carried out monthly by an officer appointed by the assistant.

The company has routinely monitored the HGU benchmarks every month. This monitoring is contained in the *HGU Pole Monitoring* document for the 2023 period. An example is the monitoring for the August 2023 period. Based on this document it is known that all HGU stakes are in good condition and the stake numbers are clearly visible.

Based on the results of field visits to *HGU Poles* Numbers VIe and VI f in block 7 and *HGU Poles* Numbers X and IX in block 8 division 2, it is known that the *HGU Poles* are in good condition and their identity is clearly visible.

**Status: Comply**

**2.2**

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

**2.2.1**

In monitoring the existence of contractors for plantation and mill activities, UoC had well-documented the list of contractors, type of business, contact persons, work agreements, and ensuring other matters related to compliance with laws and regulations in Indonesia. The contractors collaborate in the activities of operational vehicles rental (CPO and hazardous waste transport), maintenance works, and replanting activity, as follows: PT Gunung Kawi cooperating in CPO and PK transporter, PT Mustika Karya Buana cooperating in maintenance workers, PT Amindi Barokah cooperating in hazardous waste transport, and PT Surya Baru Prima Nusantara and PT Karya Mandiri Sukses Bersama cooperating in replanting activity.

In managing the contractor, the certification unit has a copy of the collaboration agreement in each unit. For example, for agreement between two parties, such as:

- Work Agreement of PT Gunung Kawi Sukses Makmur (No. PD-GM/X/445/2022) for cooperating in CPO transport dated on 3 September 2022 and valid until 31 December 2023.
- Work Agreement of PT Gunung Kawi Sukses Makmur (No. PD-GM/X/449/2022) for cooperating in PK transport dated on 3 September 2022 and valid until 31 December 2023.
- Work Agreement of PT Mustika Karya Buana (No. TG/SPK/X/Bi/007/2023) for cooperating in maintenance dated on 1 July 2023.

During the audit, PT Surya Baru Prima Nusantara and PT Karya Mandiri Sukses Bersama wasn't in collaborating with UoC since the replanting has done already.

The contractor list has been in-line with the information in stakeholder list. Auditor has verified by calling the contractor by the contact number put in stakeholder list. The explanation above can be concluded that the UoC has managed and documented the list of contractors along with its supporting documents.

**2.2.2**

UoC showed that there were several separate clauses on the work agreement between the company and the contractor related to fulfilling legal obligations in Indonesia. Some of these obligations are related to the registration of workers' health and social security insurance, the provision of minimum wages, the obligation to use PPE, other permits such as tax payment, etc. To ensure the compliance with these clauses, UoC always requests the requirements for the completeness before the contractor does work.

In addition, UoC has carried out an evaluation of each contractor to see the performance of the contractors and the compliance of the contractors to the existing regulation, for example the evaluation of PT Gunung Kawi Sukses Makmur on 1 August 2023 and evaluation of PT Mustika Karya Buana on May 2023 (for legume crop planting). There were several important indicators in the evaluation for example the implementation of PPE, workers' license, contractor workers' discipline, compliance with regulations and laws (BPJS and provision of minimum wages), work quality, compliance with the environmental regulation, compliance with business ethics, and supply chain.

Based on the interviews with contractor, contractor workers (PT Mustika Karya Buana and PT Gunung Kawi), and documents verification, it's revealed that workers had received wages and were registered in the BPJS program. For example:

- Proof of wage payment period of July 2023 for PT Gunung Kawi Sukses Makmur worker on behalf of MA (initial) who received wage above the minimum wage.
- Proof of wage payment period of July 2023 for PT Mustika Sukses Abadi worker on behalf of WA (initial) who received wage above the minimum wage.
- BPJS *Ketenagakerjaan* (Social Security Insurance) payments for PT Gunung Kawi Sukses Makmur contractor workers have been completely fulfilled and the last proof of payment is on 1 July 2023 for period of June 2023.

**2.2.3**

UoC showed that on each work agreement between the unit of certification and the contractor, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to UoC's commitment against forced labour, underage worker, and not to employ workers from human trafficking.

To ensure compliance with these clauses, the company always requests the requirements for the completeness before the contractor does work.

Based on the document review and the field observation, it revealed that there were no workers under the age of 18 and the work provided was in accordance with the agreement when the initial worker worked. Based on the interviews with contractor and documents verification, it revealed that they had a good understanding related to the minimum age of worker, the prohibition of forced labor and the human trafficking.

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

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

**2.3.1**

PT Socfin Indonesia – Tanah Gambus does not accept FFB from other parties or from farmers/smallholders and only accepts FFB from Tanah Gambus Estate (company's operational area). This is evidenced by the review of FFB receipt documents from January 2021 to August 2023 in which Tanah Gambus Mill only received FFB from Tanah Gambus Estate and did not receive FFB from other parties. This is also consistent with the results of interviews with management and workers (weightbridge officers and sortation workers) who stated that the FFB received only came from Tanah Gambus Estate.

**2.3.2**

PT Socfin Indonesia – Tanah Gambus does not accept FFB from other parties or from farmers/smallholders and only accepts FFB from Tanah Gambus Estate (company's operational area). This is evidenced by the review of FFB receipt documents from January 2021 to August 2023 in which Tanah Gambus Mill only received FFB from Tanah Gambus Estate

and did not receive FFB from other parties. This is also consistent with the results of interviews with management and workers (weighbridge officers and sortation workers) who stated that the FFB received only came from Tanah Gambus Estate.

**Status: Comply**

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

**3.1**

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

**3.1.1**

The company can show PT Socfin Indonesia's Long Term Plan document for the period 2021 – 2025. Based on the review of the long term plan document, for the Gambus Tanah unit, the following information is known:

Descriptions	2021	2022	2023	2024	2025
<b>Planted Area (Ha)</b>					
	4,695	4,928	5,208	5,208	5,208
Mature	3,573	4,116	4,375	4,574	4,731
Imature	1,122	821	833	634	495
<b>Production (Ton)</b>					
FFB	84,677	95,416	105,436	110,803	117,349
CPO	20,365	22,947	25,357	26,648	28,222
PK	2,879	3,244	3,585	3,767	3,990
OER (%)	24,05	24,05	24,05	24,05	24,05
KER (%)	3,40	3,40	3,40	3,40	3,40
<b>Production Cost (Rp/Kg)</b>	2,119	2,267	2,426	2,595	2,777

The company has also presented a management review document on achieving work targets for the 2022 period. The management review was conducted on August 18, 2023. The management review discussed the achievement of work targets and steps to achieve the work targets for the 2023 period.

**3.1.2**

The company has shown documents for the PT Socfindo – Tanah Gambus replanting program (2022-2026). The programs and realization of replanting activities at PT Socfindo – Tanah Gambus are as follows:

Year	Plan (ha)	Realization (ha)
2022	344.79	344.79
2023	424.93	424.93
2024	176.02	
2025	204.74	
2026	138.11	

The company has carried out regular evaluations regarding the achievements of the oil palm replanting program. Based on the results of a management review carried out by the company in August 2023, it was discovered that the oil palm replanting program at Tanah Gambus Estate was in accordance with the existing program.

**3.1.3**

The company has presented a management review document on achieving work targets for the 2022 period. The management review was conducted on August 18, 2023. The management review discussed the achievement of work targets and steps to achieve the work targets for the 2023 period. In addition, the management review has also discussed the following:

1. Internal audit results;



2. Feedback from customers;
3. Process performance and product conformity;
4. Status of preventive and corrective actions;
5. Follow-up resulting from the management review;
6. Changes that may affect the management system; And
7. Recommendations for improvement.

**Status: Comply**

**3.2**

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

**3.2.1**

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

- The company no longer uses pesticides with the active ingredient paraquat.
- Greenhouse Gas (GHG) Management. Implement a zero-burning policy, utilization of EFB
- The company has implemented biological pest control in this case by using host plants and barn owls to reduce the use of pesticides, especially insecticides and rodenticides.
- Management and monitoring of fires in company border areas.

**Environmental Aspect:**

- Installation of sparing equipment for measuring liquid waste discharged into water bodies.
- Prepared Addendum to *AMDAL*, *RKL-RPL* Type A, Waste and Emissions Technical approval and hazardous material Technical Details for gambus plantations, responding to recommendations from the Batubara District Environmental Agency regarding Companies Compulsory for *AMDAL* and changes to regulations (PP 22 of 2021).

**BMP**

The company already has a continuous improvement program in the best aspects of cultivation at PT Socfindo Indonesia - Tanah Gambus Estate. The ongoing improvements are captive owls as natural predators of rats and the breeding of pollinating auxiliary insects (*Elaeidobius kamerunicus*) to help increase FFB production.

**3.2.2**

The company has also shown the auditor the RSPO metric template which has been filled in according to the facts and data in the company's record documents, such as the number of workers, production area and work accident records, amount of fresh water used for FFB processing and so on.

Based on the explanation above, it is known that the certification unit has carried out a monitoring and continuous improvement process, through an annual report submitted to the RSPO Secretariat using the RSPO Metrics Template.

**Status: Comply**

**3.3**

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

**3.3.1**

The company has demonstrated Standard Operating Procedures (SOP) and Work Instructions (IK) to ensure that all plantation activities and processes are carried out correctly and by the right personnel. The procedures and work instructions cover all operational activities of the Estate and Mill. The company has 143 SOPs and 252 Work Instructions, with the following examples:

No	Document No	Document Name
1	SOC/PSM/4.02	Document Control Procedures

2	SOC/PSM/4.03	Records Control Procedures
3	SOC/PSM/4.04	Procedures for Environmental, Occupational Health and Safety Aspects
4	SOC/PSM/4.05	Procedures for Identification and Evaluation of Regulatory Compliance
5	SOC/PSM/4.07	Communication, Participation and Consultation Procedures
6	SOC/PSM/4.08	Emergency Preparedness and Response Procedures
7	SOC-POM/PSM/7.09	Palm Oil Processing Procedure using a horizontal boiling system
8	SOC-POM/PSM/7.13	Procedure for Washing Palm Oil Storage Tanks
9	SOC-POM/PSM/7.15	Procedure for Controlling Byproducts from the FFB Processing Process

All SOPs and Work Instructions are written in Indonesian. All master documents are stored and controlled in the Sustainability section of the Medan Head Office. All SOPs and Work Instructions are also available at Estate and POM. An example is SOC-POM/PSM/7.10.13 concerning Procedures for Integrated Pest Control of Oil Palm Leaf-eating Caterpillars issued on 13 January 2020. The SOP is approved which is prepared by the plant department staff, reviewed by the Plant head department, approved by the General Manager and Principal Director.

**3.3.2**

The company management explains the mechanism to ensure all policies, documents such as SOPs, WI and evidence of their implementation or records are carried out and related records are maintained properly, consistently and can be traced monitoring:

1. Document Control Procedure number: SOC/PSM/4.02
2. Record Control Procedure number: SOC/PSM/4.03
3. Management Review Procedure number: SOC/PSM/5.01
4. Internal Audit Procedure Management System number: SOC/PSM /8.02
5. The company also makes regular visits to the plant section of the Tanah Gambus Estate

The procedures above also regulate the evaluation of compliance by companies and contractors working with the company with all company procedures and policies.

The company has demonstrated one form of procedural monitoring mechanism, namely the RSPO, ISPO and ISCC Internal Audit Report which was carried out on 2 - 3 August 2023. Based on the internal audit report, 7 non-conformity were found.

**3.3.3**

The company has presented a management review document on achieving work targets for the 2022 period. The management review was conducted on August 18, 2023. The management review discussed the achievement of work targets and steps to achieve the work targets for the 2023 period. In addition, the management review has also discussed the following:

1. Internal audit results;
2. Feedback from customers;
3. Process performance and product conformity;
4. Status of preventive and corrective actions;
5. Follow-up resulting from the management review;
6. Changes that may affect the management system; And
7. Recommendations for improvement.



The company has demonstrated one form of procedural monitoring mechanism, namely the RSPO, ISPO and ISCC Internal Audit Report which was carried out on 2 - 3 August 2023. Based on the internal audit report, 7 non-conformity were found. Based on the results of the review of internal audit documents and management reviews provided by the company, it is known that all non-conformities have been fulfilled.

**Status: Comply**

**3.4**

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

**3.4.1**

There are no changes to environmental and social related documents, the Company already has environmental documents which consist of:

- Presentation of the Environmental Evaluation (PEL) of Palm Oil and Rubber Plantations and their processing factories, Tanah Gambus Plantation, Asahan Regency, Sumatera Utara Province, approved on March 17 1994 with approval number RC.220/476/B/III/94;
- RKL-RPL document which was ratified on 24 May 1994 No. RC.220/907/B/V/1994;
- Revised RKL \_ RPL Document for Tanah Gambus Plantation based on Approval of RKL-RPL Document Number 660.1/0213/LH/2005, dated 19 August 2005, Office of Environment and Tourism, Government of Asahan Regency;
- Lima Puluh UKL-UPL Revision Document, Decree of the Batubara District Head Number 201/HK/V/2016, ladders; 16 May 2016, regarding the environmental permit for PT SOCFINDO Indonesia Lima Puluh Estate oil palm plantation activities;
- Approval of UKL-UPL Document number 660/032, dated April 12 2016, from the Batu Bara Regency Environmental Office;
- Social and Environmental Impact Study Report on the Conversion Activities of Bangun Badar Estate and Limapuluh Estate May 2016 from Aksenta;
- Green House Gas Assessment for new planting, Kebun Limapuluh December 2016 (scenario of reducing inorganic fertilizer and reducing fossil fuels);
- Final Carbon Stock Assessment Report July 2016;
- Final Report on Verification and delineation of PT Socfin Indonesia's HCV Tanah Gambus area Tanah Gambus Estate, June 2021.

The preparation of environmental documents has involved various parties. This has been explained in the PEL preparation method which consists of data collection methods, data analysis and impact identification and prediction. One way of collecting data is through interviews with local residents and workers/laborers.

In the Social and Environmental Impact Study process carried out by Konsultasn (Aksenta) in 2016 for Kebun Bangun Bandar and Kebun Limapuluh (currently Tanah Gambus Estate). In this report, documentation of the implementation of activities has been attached, such as photos of implementation and stakeholder consultation attendance.

**3.4.2**

The company shows the environmental management and social impact management documents detailed in 3.4.1, for implementation guidance on environmental aspects refers to:

1. Revised RKL \_ RPL Document for Tanah Gambus Plantation based on Approval of RKL-RPL Document Number 660.1/0213/LH/2005, dated 19 August 2005.
2. Revision Document for UKL-UPL Limapuluh Estate, decision of the Regent of Batubara Number 201/HK/V/2016, steps; May 16, 2016.

The implementation of environmental management and monitoring is outlined in the document for the Implementation of the Environmental Management Plan and Environmental Monitoring Plan for Semester II 2022, guided by the environmental management and monitoring plan matrix. Reports on the implementation of the Environmental Management Plan and Environmental Monitoring Plan have been submitted to Government agencies with proof of submission in 2.1.1, development related to management and monitoring plans is limited to the involvement of

environmental testing laboratories, and implementation of government policies, as well as handling complaints and suggestions if there are indications of impact environment that arises in society.

For the management of social impacts, there is a document on the Social and Environmental Impact Study Report on the Conversion Activities of Bangun Bandar Estate and Limapuluh Estate, carried out in May 2016 from Aksenta.

The company showed the 2022 Tanah Gambus Farm Social Impact Program Evaluation Report, which was carried out in January 2023. In this document, it is explained that the purpose of the activity evaluation is to find out whether the social program is in accordance with planning and effective for managing social impacts as well as determining mitigation actions if a major issue occurs.

Correspondence to fill out the questionnaire involved 356 people from village communities around the company area, including Mangke Baru, Empat Negeri, Limapuluh, Sumber Makmur, Tanah Gambus, Sidotani, Cintai Damai, Serambangan, etc., with questionnaire material including road access rights, utilization of resources Estate, public facilities and resources, dimensions of food and water security, sources of greenhouse gas emissions, field and factory operations, human rights violations, people's amenities, assessment of jobs, job opportunities and/or changes in price conditions, land use patterns, and assessment of replanting activities as well as land ownership and user rights.

**3.4.3**

In environmental management and monitoring, the Company shows a report on the implementation of the Management Plan and Environmental Monitoring Plan which is updated every 6 months, presented in the Report on the Implementation of the Environmental Management Plan and Monitoring Plan for Semester II of 2022 and Semester I of 2023, in the preparation of this report document involved parties outside including the environmental test laboratory. The report on the implementation of the Environmental Management and Monitoring Plan is submitted to the Government Agency with detailed evidence in 1.1.2.

While the management and monitoring of social impacts is carried out every year, the current audit activity shows the Social Impact Program Report for the 2022 Tanah Gambus Estate, which was evaluated in January 2023. The implementation of social impact management is determined based on the results of a poll to the community by distributing questionnaires, this is to find out the Community's response to environmental and social perceptions of the existence of the Company in the Community's vicinity.

Correspondents for filling out the questionnaire involved 356 people from the Village Community around the Company area including Mangke Baru, Empat Negeri, Lima Puluh, Sumber Makmur, Tanah Gambus, Sidotani, Cintai Damai, Serambangan etc., with questionnaire material covering road access rights, utilization of resources Estate, public facilities and resources, dimensions of food and water security, Sources of Greenhouse Gas Emissions, Field and Factory Operations, Human Rights violations, people's amenity, assessment of work, employment opportunities and or changes in pricing terms, land use patterns, and assessment of replanting activities and land ownership and user rights.

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

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

**3.5.1**

UoC had procedures related to recruitment, appraisal, promotion, remuneration, and termination of employment which are generally described in the Collective Labor Agreement between the plantation companies (member of BKS PPS) and the Labour Union (SPSI) worked in the company member of BKS-PPS period of 2022 to 2024 written in *Bahasa*. The CLA has been reported to Minister of Labor on 2 November 2022. Based on document verification and interview with labor union and management, this CLA still valid until new CLA signed by both of parties.

Based on the document verification, CLA generally described these procedures as follows:

- Recruitment of workers is based on the company's needs.
- The minimum age of workers is 18 years old.
- The workers who have been accepted will through three months of probation.

- Promotion of workers is based on needs, period of work, expertise, and assessment of workers for the last 6 months.
- The company is authorized to carry out the placement, transfer, and promotion of workers by applicable regulations.

In addition, the procedures of employee recruitment, appraisal, promotion, and remuneration are explained specifically in several SOPs. These procedures have been documented and socialized to all workers and their representatives, here as follows:

- SOP No. SOC/PSM/6.01.01 validated on 20 February 2020 concerning on Recruitment.
- SOP No. SOC/PSM/6.14 validated on 17 October 2016 concerning on Worker's Promotion, Mutation, and Demotion.

Based on the interviews with workers (harvesters, pesticide sprayers, and mill operators), workers had a sufficient understanding of the procedures related to recruitment, promotion, and termination of employment. The types of workers exist in the company are permanent workers and contract workers. Workers explained that the recruitment process carried out by the company was in accordance with the terms according to ability, promotion is based on an assessment of the performance of each employee each year, and termination of employment can occur if the worker has committed a serious violation and other causes of termination as in existing government regulation. All labor procedures have been in accordance with the applicable regulation.

**3.5.2**

Unit of Certification documented all labor procedures that have been carried out properly, such as recruitment, promotion, performance appraisal, and termination. The following are some sample labor procedures that have been implemented and are well documented by certification unit, including:

- Recruitment document in accordance with the recruitment requirements such as employment request form, statement of police report, identity card (KTP), family identity card (KK), the result of medical check-up, and work agreement letter. For example, a worker on behalf of MFP (initial) who sent application letter on 22 October 2022 and started working as a harvester on 1 January 2023.
- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of HD (initial) who had a promotion based on worker's appraisal, from class 1 grade II to harvesting foreman on 20 January 2023.
- Termination document such as the management decree of employment's termination on behalf of PD (initial) due to maximum age at work (pension). UoC also showed other supporting documents such as the management decree of employment's termination, the agreement between the terminated worker and the UoC to not disclosed the UoC's confidential document, calculation of termination payments, and the proof of its payment in accordance with the applicable laws.

Based on the interviews with the Manpower Agency of Batu Bara, the company had been applied the existing labor procedures in accordance with the regulations. During 2022 to 2023, there were no issues related to manpower.

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

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

**3.6.1**

The Company has presented the updated OHS and Environmental Risk Assessment, Hazard Identification Forms, Environmental Impact Assessments on January 5, 2023 which were prepared by OHS Experts and approved by the Sustainability Department. During the audit activity, the company showed records of Hazard Identification, Environmental Impact Analysis and Occupational Health and Safety and Environmental Risk Assessment in each work unit including in the Plantation, updated on January 5, 2023 with work activities/processes including land clearing, nursery, planting, land care, harvesting and transporting, fertilizing, spraying, storage, filling stations, hazardous waste warehouses, polyclinics, electrical installations, generator houses, lawn mowers, infrastructure (heavy equipment, road maintenance), infrastructure (civil), Estate offices, workshops, harvest mechanization, housing, fire patrols, environmental monitoring.

Hazard identification, environmental impact analysis and all activities/activities/work, work processes, work methods/methods, work place/location, work equipment and materials/materials by using the Hazard Identification Form, Environmental Impact Analysis and OHS and Environmental Risk Assessment and considering things such as routine

activities, normal, abnormal and emergency conditions. Preparation of Hazard Identification, Environmental Impact Analysis and OHS and Environmental Risk Assessment is made before work is carried out in all sections/departments.

The results of risk identification and implementation plans are socialized to management and workers, including shown in the following documents:

- Minutes of the HIRAC Socialization event at the workshop on March 20 2023 and attended by 21 participants
- Socialization of OHS (including HIRAC) and procedures for controlling personal protective equipment on March 16, 2023 which was attended by 113 participants (division I).

Based on the results of interviews with both estate and POM workers, for example boiler and engine room operators, it is known that workers already know and understand related to 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**

The company has been monitoring the effectiveness of the OSH plan to address OSH risks to people. The monitoring carried out is contained in the routine OHS Committee quarterly report document of PT Socfin Indonesia – Tanah Gembus and the report is submitted to the Batubara Regency Manpower and Transmigration Service. The examples are:

- OHS Committee report for the first quarter of 2023 which was submitted to the Batubara district labor and transmigration office on April 24 2023.
- OHS Committee report for the second quarter of 2023 which was submitted to the Batubara district labor and transmigration office on July 31 2023.

The report explains the following:

- Plan and realization of the OHS Committee work program
- Records of work accidents
- Monthly routine checking of emergency response facilities and infrastructure
- Supervision related to discipline in the use of PPE by all workers (including contractor workers)

In addition, the company also records work accidents as outlined in PT Socfin Indonesia's Lost Time Accident document. Another form of OHS-related monitoring carried out by companies is by carrying out routine health checks on all workers. The 2023 health examination will be held on May 22 – May 27 2023 with the number of workers taking part in the health examination as many as 903 participants.

Based on the results of field visits to workshops, process stations at PKS, and civil warehouses, it is known that cutting machines are equipped with protectors to prevent workers' fingers from being cut when cutting materials. From the results of interviews with workers, it was discovered that apart from having protection on cutting machines (both wood and metal), workers had been given instructions to always be careful when carrying out material cutting work to minimize work accidents.

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

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

**3.7.1**

Unit of certification had training identification and program for 2023 in order to improve the competence and expertise of all workers including contractors. The company had identified the needs of competence standard and the proposed training for each worker including contractor worker, for example:

- Training of first aid items for foremen.
- Training of Lock Out Tag Out for operators
- Training of harvesting for harvesting workers.
- Training of pesticide application for pesticide application workers in estate.

**3.7.2**

UoC also showed that they had properly documented every training activity and socialization that had been carried out to all workers, contractors, smallholders, and related stakeholders. The following is an example of training/socialization documentation that had been carried out, for example:

- Training of pesticide application on 15 May 2023 which was attended by all pesticide application workers in estate.
- Training of harvesting on 9 March 2023 which was attended by harvesting workers in estate.
- Training of machine handling and management for mill operators on 24 March 2023 which was attended by all operators in mill.

Based on field observations and interviews with workers (harvesters, maintenance workers, warehouse officers, and mill operators) and contractor workers, it is known that the company provides some training programs due to upgrade the worker's expertise and competence. All workers also showed their understanding of duties and responsibilities for each job quite well.

**3.7.3**

UoC showed the record of socialization related to supply chain to relevant workers which was conducted on 12 July 2023 attended by FFB driver and on 10 July 2023 attended by security, weighbridge officer, laboratory officer, clerk, and operators. The minutes explained the procedures for managing certified and non-certified products including the responsibilities for each of the personnel who handle products.

Based on the interviews with security, the weighbridge operator in POM and FFB administration, and workers in dispatch, it's known that workers have already understood their duties and responsibilities in the implementing of SCCS in accordance with the procedure and the certified and uncertified products, and the FFB source.

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1 & 3.8.2**

Based on the results of a review of FFB receipt documents for the period August 2022 – July 2023, interviews with security officers, weighbridge officers and sorting officers, it is known that Tanah Gambus POM only processes RSPO certified FFB, so Tanah Gambus POM implements the IP Module.

The volume and source of certified FFB that goes into the mill as well as the volume sales of RSPO certified products have been verified by Tanah Gambus POM.

**3.8.3**

Estimated certified product recorded in the last assessment report. The estimates of certified production for the next license period describe at ASA-2.2 report (basic info 1.8.3), in reasonable amount considering the last year's production. The data are shown in the following table:

Products	Last Year Projected Certified Volume (5 December 2022 to 4 January 2024) (MT)	Last Year Actual Certified Volume (August 2022 to July 2023) (MT)
FFB Certified (MT)	106,346	89,447.83
CSPO (MT)	24,502	22,652.23
CSPK (MT)	3,636	2,728.11

**3.8.4**

The Mill has registered as RSPO member under Socfin SA (No. 1-0269-19-000-00) 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: PT SOCFIN INDONESIA "SOCFINDO" - Tanah Gambus
- License ID: CB140753

- Core Product: Palm Oil
- Member ID: RSPO\_PO1000000352
- Type of Business: Oil Mill
- Supply chain model: Identity Preserved

**3.8.5**

Tanah Gambus POM has written procedures to ensure the implementation of all elements of the applicable supply chain model, which are listed in the Supply Chain Management Procedure, document number SOC/PSSM/9.10, Edition 02, Revision 01, effective date April 15, 2022. This procedure includes among others the following:

- Complete and up-to-date records and reports demonstrating compliance with the requirements of the supply chain model, such as FFB weighing records, production quantity counting records, production delivery records, daily production reports, monthly production reports, sales documents such as contracts, DOs and Invoices, and related documents others are kept for at least 5 years by the plantation document controller.
- Identification of the role of individuals who have responsibility and authority over the implementation of the IP Module, such as Technician I, weighbridge officer, expedition clerk and POM clerk.

Based on the results of interviews with Management (Techniker) and weighbridge officer, it is known that personnel are able to demonstrate knowledge of POM procedures in accordance with their duties and authorities.

**3.8.6**

The procedure for internal audit for SCCS mentioned in Procedure of Internal Audit Management System (No. SOC/PSM/8.02, edition 03 revision 09 dated 1 January 2022). 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 3 August 2023. Based on the result of the internal audit, there are no non-conformity SSCS indicators, and it has been in compliance with the RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.

Management Review of RSPO SCCS implementation conducted on 18 August 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**

The mill has verified and documented the volumes of certified and non-certified FFBs received. Certified and non-certified FFB received period of 12 months before audit which is August 2022 – July 2023:

Month	FFB (ton)		Total
	Certified	Non-Certified	
Aug-22	8,177.36	-	8,177.36
Sep-22	7,418.37	-	7,418.37
Oct-22	8,008.10	-	8,008.10
Nov-22	6,488.10	-	6,488.10
Dec-22	6,807.92	-	6,807.92
Jan-22	6,461.29	-	6,461.29
Feb-22	5,805.28	-	5,805.28
Mar-22	8,059.47	-	8,059.47
Apr-22	7,527.58	-	7,527.58
May-22	8,406.91	-	8,406.91
Jun-22	7,962.38	-	7,962.38
Jul-22	8,325.07	-	8,325.07
<b>Total</b>	<b>89,447.83</b>	<b>-</b>	<b>89,447.83</b>



Estimated certified product recorded in the last assessment report (ASA-2.1). Actual certified produced has been verified during this assessment and not exceed the estimate. The data are shown in the following table:

Products	Last Year Projected Certified Volume (5 December 2022 to 4 January 2024) (MT)	Last Year Actual Certified Volume (August 2022 to July 2023) (MT)
FFB Certified (MT)	106,346	89,447.83
CSPO (MT)	24,502	22,652.23
CSPK (MT)	3,636	2,728.11

According to the data during the certification period, there still not any overproduction yet.

Mechanisms for handling unsuitable FFB and / or documents have included in the supply chain certification standard Identity preserved procedure with document number SOC/PSM/9.10, edition 02 revision 01 dated 15 April 2022.

**3.8.8**

The mill has product information provided in such as document of contract agreement, delivery order, delivery ticket, report of loading, weighbridge ticket and other invoices, as example at invoices of CSPK certified delivery. The information provided on invoices are:

- The name and address of the buyer (PT Multimas Nabati Asahan – Kuala Tanjung);
- The name and address of the seller (PT Socfin Indonesia, Tanah Gambus POM – Batubara District);
- The loading or shipment / delivery date (18 August 2023);
- A description of the product supply chain model (Identity Preserved);
- The date on which the documents were issued (18 August 2023);
- The quantity of the products delivered (19.45 ton);
- Any related transport documentation (transport by PT Gunung Kawi Sukses Makmur);
- A unique identification number (300029950);
- RSPO certificate number (Mutu-RSPO/164);
- etc.

**3.8.9**

Based on the results of a document review, interviews with management and field observations at Tanah Gambus POM, it is known that POM does not outsource its factory activities. However, for CPO and PK transportation activities, Tanah Gambus POM outsourced its activities to a third party, namely PT Gunung Kawi Sukses Makmur.

Tanah Gambus POM has ensured that third parties comply with the relevant RSPO SCC requirements, which are indicated as follows:

- POM legally owns all incoming materials that will be included in the outsourced process, where for Tanah Gambus POM only accepts certified FFB from Tanah Gambus Estate.
- Have an agreement or contract that regulates the outsourced process with the contractor through the agreement with the contractor, which is listed in:
  - Letter of Agreement for the Transport of Palm Kernels by PT Gunung Kawi Sukses Makmur, No. PD-GM/X/449/2022, dated 12 October 2022, which was signed by both parties and valid until 31 December 2023
  - Letter of Agreement for the Transportation of Palm Oil by PT Gunung Kawi Sukses Makmur, No. PD-GM/X/445/2022, dated 12 October 2022, which was signed by both parties and valid until 31 December 2023

In article II paragraph 5, among other things, it is stated that CB has access to contractors or operators who outsource in the event that an audit is needed.

- Based on the results of interviews with security officers and weighbridge officers, it is known that POM already has a recorded control system with strict procedures governing the outsourced processes. Based on the results of interviews with the contractor PT Gunung Kawi Sukses Makmur, it was stated that there were submissions from the company that were submitted to interested contractors which were carried out routinely.

**3.8.10**

Tanah Gambus POM has recorded the names and contact details of the contractors used for the physical handling of RSPO-certified palm products, which among others are listed in the Tanah Gambus Plantation Stakeholder List document, 1 August 2023, which explains the name of the institution, name of personal contact, address, telephone number, distance to address and others.

**3.8.11**

Based on the results of a review of the Tanah Gambus Plantation Stakeholder List document and interviews with management and security officers and weighbridge officers, it is known that since the previous assessment (ASA-2.1) there has been no change in the names and contact details of the contractors used for the physical handling of RSPO certified palm products, namely PT Gunung Kawi Sukses Makmur.

**3.8.12**

The company has up-to-date records and reports that are kept in the mill office, complete, accurate, and up to date. All the records can be accessed by the auditor, such as records of certified product shipping, sales contracts, delivery orders and invoices, production reports, and product sales. Based on document verification on supply chain procedures, retention time for all records and reports regarding the supply chain is 5 years.

For instance, record all certified palm oil and palm kernel oil volumes purchased (input) and claimed (output) for a period of 12 months before the audit (August 2022 – July 2023):

**CSPO**

Month	CPO (ton)		Total
	Certified	Non-Certified	
August 2022 – July 2023	22,652.23	-	22,652.23

Month	CSPO Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
August 2022 – July 2023	21,931.58	-	-	21,931.58

**CSPK**

Month	PK (ton)		Total
	Certified	Non-Certified	
August 2022 – July 2023	2,728.11	-	2,728.11

Month	CSPK Despatch (ton)			Total
	RSPO	Other Scheme	Non-Certified	
August 2022 – July 2023	2,653.36	-	-	2,653.36

**3.8.13 & 3.8.14**

The Oil Extraction Rate and Kernel Extraction Rate have been applied based on actual daily, monthly and yearly data to



get a good estimate of the quantity of certified CPO and PK from the related inputs. Based on actual production data for Tanah Gambus POM for the period August 2022 - July 2023, an OER of 23.15% and a KER of 2.94% were obtained.

**3.8.15**

POM applies the IP Module and has ensured and verified through recorded procedures and record keeping that RSPO certified palm products are kept from mixing with non-certified palm products, including during transportation and storage to strive for 100% separation. This is explained in the Supply Chain Management Procedure, document number SOC/PSSM/9.10, Edition 02, Revision 01, effective date April 15, 2022, at point 6.8 regarding Details of Activities for Sending Production Results. In addition, based on the Agreement for the Transport of Palm Oil and Kernel by PT Gunung Kawi Sukses Makmur, the same is stated in Article II regarding the Conditions of Transportation.

**3.8.16**

Documents verification and interview during an audit it was known the claimed RSPO product of CSPO and CSPK is no longer than 3 months since the product delivered. The unit of certification can present the supporting documents were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, certificate number, sender's name, and address of the seller. Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, as presented in the sample below:

- CSPK
  - Buyer Reference Number: DO 300029709, PO 1210143289
  - Buyer: PT Multimas Nabati Asahan
  - Volumes: 99 MT
  - Supply Chain Model: Identity Preserved
  - Shipping/BL Date: 06 July 2023
  - Transaction ID: TR-1ebbf8a1-7bba
  - Transaction Status: Confirmed
  - Creation Date: July 07, 2023
  - Confirmation Date: July 11, 2023
- CSPO
  - Buyer Reference Number: DO 300029745, PO 1210143584
  - Buyer: PT Multimas Nabati Asahan
  - Volumes: 14 MT
  - Supply Chain Model: Identity Preserved
  - Shipping/BL Date: 03 July 2023
  - Transaction ID: TR-239ec572-4f15
  - Transaction Status: Confirmed
  - Creation Date: July 07, 2023
  - Confirmation Date: July 11, 2023

Based on a review of CPO and PK production and sales documents for the period 2022 – July 2023, it is known that there was no sale of RSPO certified volumes through other schemes or conventional methods.

**3.8.17**

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

	<b>Status: Comply</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 company has established a policy to respect human rights as indicated in the document human rights policy that was

approved by the Principal Director on June 1, 2019. The Policy informs that company is committed to resolving any conflict through peaceful means that promote human dignity and respect the rights of all. Violence and threats have no place at socfindo and any form of violence, harassment or intimidation against any individual or group is strictly prohibited, including retaliation against human rights defenders. Also the company must protect individuals from violence, threats, all forms of retaliation, direct or indirect, pressure or other arbitrary actions as a consequence of the legitimate use of individual human rights fundamentals in their relationship with Socfindo.

**4.1.2**

The company does not have a record related to the use of force/mercenaries/paramilitary in resolving conflicts/problems that exist between the certification unit and related stakeholders (surrounding communities, workers, or others).

Based on the interview with the local communities and online search, there was no violence used by the UoC.

**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**

UoC showed some policies related to grievance system, here as follows:

- SOP of handling social grievance (No. SOC/PSM/9.02 revision 8) validated on 28 June 2023 which stated that a month was the maximum time limit in responding grievance, the company guaranteed the freedom of speech by keeping the identity of the employee confidentially, and the mechanism in communicating grievance.
- Grievance Policy of PT Socfin Indonesia validated on 1 June 2019 concerning in handling grievance and dissatisfaction. The policy explained the mechanism of external communication (e.g: contractors, suppliers, government agency, etc) including the mechanism if there were any grievances. This policy also explained that the company can be brought the complaints to the RSPO complaint system if there wasn't any solution yet and protected the identity of the whistleblower if needed.

Based on the interviews with the surrounding communities, occupants, and workers (harvesters and mill operators), the workers had a good understanding of the communication procedures and personnel who served as communicators between the company and the community so that illiterate people can be informed by the related communicators.

**4.2.2**

Unit of certification showed SOP No. SOC/PSM/9.02 revision 8 validated on 28 June 2023 concerning in handling workers grievances. The policy explained activities of handling grievances related to manpower or non-manpower (e.g: facilities, etc). In the general mechanism of handling grievance, is stated as follows:

- The company's commitment to protect the anonymity of whistleblowers.
- Submission verbally or in writing to the contact person of the company or through labor union.
- Responses will be given at a maximum of a month.

In addition, UoC also Grievance Policy of PT Socfin Indonesia validated on 1 June 2019 concerning in handling grievance and dissatisfaction. The policy explained the mechanism of external communication (e.g: contractors, suppliers, government agency, etc) including the mechanism if there were any grievances. This policy explained that all complaints will be summarized and recorded in the List of External Complaint Monitoring. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the List of External Complaint Monitoring.

**4.2.3**

Based on interviews with workers and external or internal stakeholders, it's known that they have understood the person responsible and the grievance mechanism in which the complainant's identity is protected. Based on the interview with both internal and external stakeholders, they informed that there were no complaints or grievances against the UoC.

Based on the documents review of the worker's grievance logbook period of 2022 to 2023, it is known that the complaints

received by the company are related to facilities. UoC then showed the compliance of these complaints. Based on the interviews with government agencies, surrounding communities, gender committees, labor unions and workers, it's known that there were no further complaints against the unit of certification.

**4.2.4**

UoC showed the SOP No. SOC/PSM/9.02 revision 8 validated on 28 June 2023 concerning in handling workers grievances and Grievance Policy of PT Socfin Indonesia validated on 1 June 2019 concerning in handling grievance and dissatisfaction. These policies explained the mechanism of handling any grievances and access to the Manpower Agency (tripartite) and RSPO complaint system if the grievance didn't meet any solution.

In addition, UoC also showed the company's socialization using poster for all workers and external stakeholders posted in strategic spots e.g in front of the estate and mill office. This poster explained the mechanism of all grievances through the labor union or each worker's supervision and will be recorded in the grievance logbook. However, illiterate people can submit their complaints through the village head or another representative from the stakeholder and also recorded in the grievance logbook.

**Status: Comply**

**4.3**

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

**4.3.1**

The company shows its contribution to society based on the results of consultations with local communities, including in the form of providing CSR and partnership collaboration on in 2022 - 2023. As for some contributions to community development. Amon others:

- Distribution of 155 packages of nine basic commodities to residents of Simpang Gambus Village
- Assistance for the construction of the As-Salam prayer room for SMA Negeri 1 Talawi, Batu Bara Regency, Sumatera Utara Province
- Assistance with costs for Isra Mi'raj commemoration activities to the Dusun VIII Taman Sari Mosque Welfare Board
- Assistance with costs for Easter worship competitions, Indonesian Christian Youth Movement
- Assistance with costs for mass circumcision activities on July 1 2023.

The company shows the Socialization document - Identification of CSR with Stakeholders, dated January 17, 2023, with potential conclusions that can be developed including:

- Human Resources
- Religion
- Health
- Education
- Sports and Recreation
- Infrastructure
- Economic development,

Accompanied by a list of attendees for Socialization of CSR Identification with Stakeholders on January 17, 2023, with participants from the Village Head of Tanah Gambus Village, Head of Village of Lima Puluh Village, Head of Suka Makmur Village, Head of Itam Ilir Village, Head of Dusun II.

**Status: Comply**

**4.4**

**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).**

**4.4.1**

In 1909, Societe Financiere des Caouchoucs Medan Societe Anonyme (Socfin) was founded by M. Bunge. At the same time, Adrian Hallet founded Plantation Fauconnier & Posth with Henry Fauconnier. On December 7, 1930, based on notarial deed William Leo No.45, the name and legality of PT. Socfin Medan S.A. (Societe Financiere des Caoutchoucs Medan Societe Anonyme) is officially used. Based on the notarial deed, PT. Socfin Medan S.A. domiciled in Medan and

manages plantations in East Sumatra, West Aceh, South Aceh and East Aceh. Tanah Gambus estate has established since 1930, and land ownership before HGU was erpacht right.

Further developments, based on the Presidential Decree No. 6 years 1965, Dwikora Cabinet Decree No.A/D/58/1965, No.SK.100/Men.Perk/1965 stated that the plantation company managed by PT. Socfin Medan S.A was placed under government supervision, then in 1966 the company's ownership rights were handed over to the Indonesian government on the basis of the sale of plantations and assets of PT. Socfin Medan S.A.

PT. Socfin Indonesia was founded on December 7, 1930 under the name Socfin Medan S.A. In 1965, PT. Socfin Indonesia was transferred under the supervision of the Indonesian government based on Presidential Decree No. 6 of 1965. In 1968, PT. Socfin Indonesia is a joint venture between Plantation Nord Sumatra S.A. - Belgium (shareholder of Socfin) with the government of the Republic of Indonesia under the name of PT. Socfin Indonesia (Socfindo), based on the Law on Foreign Investment No. 01/1967 with a ratio of 60% ownership of Plantation Nord Sumatra and 40% shares of the government of the Republic of Indonesia. On December 13, 2001, in line with the privatization of several SOEs by the government of the Republic of Indonesia, there was a change in Socfindo's share ownership to 90% of Plantation Nord Sumatra's shares and 10% of the Indonesian government's shares under the ministry of SOEs.

Total of certification scope area amount of 4,974.29 Ha, consist of the area of Tanah Gambus Plantation PT. Socfin Indonesia covers an area of 3,373.11 ha, located in Batu Bara Regency, Sumatera Utara Province. The entire commodity of this plantation is Palm Oil. Since 2015, Lima Puluh Estate which is located in Sub District of Lima Puluh, District of Batu Bara, Province of Sumatera Utara, covering an area of 1,601.18 hectares, is merger with the Tanah Gambus Estate, where the commodity of Lima Puluh Estate is rubber plantations. Starting in 2017, conversion activities were carried out after obtaining the NPP report approved by the RSPO.

**4.4.2**

The company shows evidence related to land acquisition that has implemented the FPIC mechanism, for example the following records that PT Socfin had compensated farmers who had legal proof of ownership such as H. Idris had received compensation payments on March 28, 2006 because they had proof of legal ownership of their +/- 8 Ha land.

**4.4.3**

Based on the review of the environmental permit documents as well as the identification of the presence of HCVs, there is no customary land in the company area. This was also confirmed from the results of public consultations with representatives of Lima Puluh Kota Urban Village, Tanah Itam Ulu Village, Simpang Gambus Village and also National Land Agency of Batubara Regency that there are no customary land, customary land or other land rights above the company's operational area.

Based on the review of the Tahan Gambus Estate operational map document year 2020 (scale 1: 25,000) 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. The entire area has been utilized by the company according to its designation.

**4.4.4**

In line with the explanation in indicator 4.4.3, from the results of the review of the company map document, it is known that the operational map has referred to the HGU map that legally owned. There are no customary rights in the company's operational areas.

**4.4.5 & 4.4.6**

Based on explanation on indicators 4.4.2, the previous owner represented himself in the land acquisition process.

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

<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</b>
------------	---

**and other stakeholders to express their views through their own representative institutions.**

**4.5.1 – 4.5.8**

Based on the review of the environmental permit documents as well as the identification of the presence of HCVs, there is no customary land in the company area. This was also confirmed from the results of public consultations with representatives of Lima Puluh Kota Urban Village, Tanah Itam Ulu Village, Simpang Gambus Village and also National Land Agency of Batubara Regency that there are no customary land, customary land or other land rights above the company's operational area.

Based on the onsite assessment, there's only new planting activities on ex rubber area which is an area owned by Lima Puluh estates that already have land use title and conversion permits into oil palm plantations.

**Status: Comply**

**4.6**

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

**4.6.1 & 4.6.2**

The company has procedures related to the identification of legal rights in the Procedure Document for Identification and Calculation of Land Compensation (No. SOC/PSM/9.05, Rev. 01) which is valid on April 1, 2015. The scope of the procedure starts from conducting land identification, surveying, Analysis up to the final negotiation of payment and land acquisition by the company. there are several PICs in the procedure and their responsibilities, for example:

- Principal Director is responsible for providing final decisions on land acquisition.
- General Manager is responsible for providing final recommendations to the principal director related to land acquisition decisions, land compensation calculations, risk analysis, feasibility evaluation and also negotiating land prices with land owners.
- Relevant divisions (plant, general, shopping, and internal audit) are responsible for providing data, analysis and recommendations related to land acquisition objectives.

In addition, there is also a land acquisition procedure in the Land Acquisition Procedure (No.Doc. SOC/PSM/9.04, Rev. 00) which took effect on January 1, 2010. The procedure contains information related to determining land needs, identification of land owners, negotiations, land acquisition and also the issuance of land rights by the competent authority. The procedure also explains (Point 5.5.3) that the company ensures that the land acquisition plan has received approval from the local community through the FPIC mechanism which must obtain the consent of the local community voluntarily.

PT. Socfin Indonesia Tanah Gambus Estate was established in 1930 therefore the organization did not use document of Location Permit.

**4.6.3 & 4.6.4**

In the land clearing process, the company also has an acquisition mechanism in the Land Acquisition Procedure (No. Doc. SOC/PSM/9.04) issued on January 1, 2010. The procedure explains that the company ensures that the land acquisition plan has received approval from the local community through FPIC mechanism. The company obtains community consent voluntarily and without coercion. The community also has the right to be represented by representatives appointed by the community itself in the negotiation process.

Based on documents verifications and interview with surrounding village there was no identified the presence of indigenous land or land compensation in the concession area of company. Furthermore, obtained information that there are no land rights in the company operational area, either individually or in groups, both formally and informally. The results of the interview also confirmed that the company area had been controlled before the village was formed. People already know clearly company boundaries. The existence of the company and its boundaries are recognized by the community and no claims have been made by the community on these lands. Since 2020, there's no information about new land acquisition for the past year.



<p>Status: Comply</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>	
<p><b>4.7.1 – 4.7.3</b></p> <p>Based on a review of environmental permit documents as well as identification of the presence of HCVs (2011) in collaboration with the Bogor Agricultural Institute, there is no information on the existence of customary lands in the company's area. This was also confirmed from the results of public consultations with representatives of Lima Puluh Village, Sumber Makmur Village and also Land Agency of Batubara Regency that there is no customary land, <i>ulayat</i> land or other land rights above the company's operational area.</p> <p>It was confirmed from the public consultation with Village Head of Lima Puluh and Sumber Makmur there were no land conflict at all land within estate and mill. It was also confirmed that no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p>The company explained that there had previously been a problem in 2007 which had been resolved, following the chronology:</p> <p>After the Compensation Committee consisting of the Head of Lima Puluh, District Jupen, Village Heads and village farmers' organizations in 1970/1971 gave compensation to the Tanah Perjuangan Farmers in Simpang Gambus, several people and Farmers Groups appeared who claimed they had not received compensation and were still disputed the land of struggle, namely:</p> <ul style="list-style-type: none"> <li>• Mr. Abdul Gani Aceh (represented by Ms. Wardiana) by letter dated 8 November 1999; Mr. Abd Rahman and Mahmud in a letter dated December 14, 1999 claimed that they had not received compensation but they did not have evidence of legal land ownership so they could not be compensated.</li> <li>• Mr. Idris admitted that he had not received compensation for his +/- 8 ha land but he could show evidence of land ownership. Mr. Idris received compensation according to the land, he owned through a letter of compensation agreement no. TG/SPGRT/01/2006 dated 28/03/2006.</li> <li>• Tanah Perjuangan Farmers Group claimed to have rights to a land area of +/- 483 Ha. The recognition of land ownership is carried out through:             <ul style="list-style-type: none"> <li>- Submission of letters to the Minister of Home Affairs and the National Land Agency (BPN) through DPD Tri Sula Nusantara letter no. 03/TN-SU/VIII/2007 dated August 16, 2007 without attached proof of land ownership.</li> <li>- Submission of aspirations through speeches at Block 9 in September 2007. PT Socfindo was accompanied by the District Head and the Police of Lima Puluh Regency to listen to these aspirations.</li> </ul> </li> <li>• PT Socfindo's response to the acknowledgment of land ownership by the Tanah Struggle Farmers Group which was carried out through the letter and oration is as follows:             <ul style="list-style-type: none"> <li>- Informing the community at the time of the oration that the recognition of land ownership must be proven by valid land ownership documents.</li> <li>- Consulted with National Land Agency of Medan that recognition of land ownership by the community could be served as long as they could show evidence of legal land ownership.</li> </ul> </li> <li>• On March 10, 2011, a hearing was held with the DPRD of Batubara Regency, PT Socfindo Tanah Gambus and the Tanah Perjuangan Farmers Group represented by Muliono. The summary of the hearings is as follows:             <ul style="list-style-type: none"> <li>- The Tanah Struggle Farmers Group submitted a claim for compensation for their land rights owned by PT Socfindo.</li> <li>- Based on these demands, Commission A of the DPRD of Batubara Regency asked on what basis the Farmers Group submitted their demands.</li> <li>- The Farmer's Group admits that it has no legal evidence of land ownership.</li> <li>- PT Socfindo said that it had compensated farmers who had legal proof of ownership such as H. Idris had received compensation payments on March 28, 2006 because they had proof of legal ownership of their +/- 8 Ha land.</li> </ul> </li> <li>• The attitude of PT Socfindo on the recognition of land ownership of +/- 483 Ha by the Tanah Struggle Farmers Group is as follows:             <ul style="list-style-type: none"> <li>- PT Socfindo already has proof of legal land ownership, namely the HGU certificate.</li> <li>- If there is a person or group of people claiming to have land rights on PT Socfindo's HGU land, they must show</li> </ul> </li> </ul>	

- proof of legal land ownership.
- If the person or group of people can show proof of legal land ownership, the settlement must be carried out legally because there are 2 parties who have the same legal land ownership.
- The conclusion from the chronology and the evidence is that the recognition of ownership of a land area of +-483 ha by the Tanah Perjuangan Farmer's group is not accompanied by evidences of legal ownership, therefore their demands cannot be followed up.

There is also a land acquisition procedure in the Land Acquisition Procedure (No.Doc. SOC/PSM/9.04, Rev. 00) which took effect on January 1, 2010. The procedure contains information related to determining land needs, identification of land owners, negotiations, land acquisition and also the issuance of land rights by the competent authority. The procedure also explains (Point 5.5.3) that the company ensures that the land acquisition plan has received approval from the local community through the FPIC mechanism which must obtain the consent of the local community voluntarily.

**Status: Comply**

**4.8**

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

**4.8.1 – 4.8.4**

Based on the results of interviews with representatives of Mangke Lama Village, Sumber Makmur Village, Tanah Gambus Village and also National Land Agency of Batubara Regency, there is no information about disputes or land problems in the company's operational areas.

**Status: Comply**

**PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION**

**5.1**

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

**5.1.1 – 5.1.6**

Based on a review of FFB supplier data documents for the period 2022 to July 2023 and based on a review of FFB supplier data documents for the period 2021 to July 2022 and interviews with company representatives, it was explained that the company did not receive FFB from outsiders, but only receive FFB from their own plantations. so that the company does not publish the price of FFB to outsiders

**5.1.7**

The company shows weighted documents, as follows:

- Certificate of Test Results Number: 510/30/SKHP-ML/DKPP-BB/2023, dated 14 June 2023, type E-1205, capacity 40,000 kg, valid until 12 June 2024, by the Department of Manpower, Industry and Trade, Trade and Meteorology Sector of Batubara District.
- Certificate of Test Results Number: 510/31/SKHP-ML/DKPP-BB/2023, dated 14 June 2023, type GST-9600, capacity 40,000 kg, valid until 12 June 2024, by the Department of Manpower, Industry and Trade, Trade and Meteorology Sector of Batubara District.

**5.1.8**

Based on a review of FFB production and processing data documents for the period 2022 to July 2023, and interviews with company representatives and the Agriculture and Plantation Office of the Batubara Regency, information was obtained that the company did not receive FFB from outsiders, all FFB received at POM came from its own plantations.

Although the company seeks to contribute to farmers around its permit area, the company is in the process of finalizing a Partnership MOU with 8 farmer groups, with the following documents:

Sustainable Partnership Cooperation Agreement between the Company PT SOCFINDO Tanah Gambus Plantation and the Joint Tunas Muda Farmer Group, Maju Bersama Farmer Group, Mutiara Desa Farmer Group, Sejahtera Bersama Farmer Group, Pematang Boyan Farmer Group, Harapan Baru Farmer Group, Joint Venture Farmer Group, Group Palm

Oil Farmers, January 16, 2023, the term of the agreement is 10 years with the scope of cooperation:

- PT Socfindo provides training and guidance on oil palm cultivation practices
- PT Socfindo provides road maintenance/repair assistance and drainage if needed for oil palm plantation management
- PT Socfindo assists in obtaining the HGU certificate on behalf of the second party

The document has been signed by representatives of the Village, Farmers' Group, the Subdistrict and the Company, and is currently awaiting signature from the Agriculture and Plantation Office of the Batubara Regency, then it is continued with the submission of the partnership document to the State Land Agency of the Batubara Regency, to carry out a ground check of the areas to be become the object.

**5.1.9**

Based on a review of FFB supplier data documents for the period 2022 to July 2023 and based on a review of FFB supplier data documents for the period 2021 to July 2022 and interviews with company representatives, it was explained that the company did not receive FFB. from outsiders, but only receive FFB from their own plantations.

The company has Social Complaint Handling Procedure No. SOC/PSM/9.02 document 6th revision dated March 1, 2020. Based on this document, it is known that the identity of the reporter will be guaranteed confidentiality. It is stated that the company guarantees the anonymity of the whistleblower and whistleblower with the aim of reducing the risk of retaliation. The procedure explains that the steps for submitting a complaint verbally and/or in writing are addressed to the management leadership. Responses to workers are maximum within 2 weeks if approval from the department head is not required and 1 month if approval is required.

**Status: Comply**

**5.2**

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

**5.2.1, 5.2.2, 5.2.3**

Based on a review of FFB supplier data documents for the period 2022 to July 2023 and based on a review of FFB supplier data documents for the period 2021 to July 2022 and interviews with company representatives, it was explained that the company did not receive FFB. from outsiders, but only receive FFB from their own plantations.

Based on the results of a document review and interviews with the Agricultural and Plantation Office of the Batubara Regency, as well as explanations from the Company's representatives, it is known that the Company has a partnership program as indicated by the evidence of the Sustainable Partnership Cooperation Agreement document between PT SOCFINDO Kebun Tanah Gambus and the Tunas Muda Group, Group Maju Bersama Farmers, Mutiara Desa Farmers Group, Sejahtera Bersama Farmers Group, Pematang Boyan Farmers Group, Harapan Baru Farmers Group, Joint Business Farmers Group, Nyiur Melambai Farmers Group, January 16, 2023, 10 year agreement period with the scope of cooperation:

- PT Socfindo provides training and guidance on oil palm cultivation practices
- PT Socfindo provides road maintenance/repair assistance and drainage if needed for oil palm plantation management
- PT Socfindo assists in obtaining the HGU certificate on behalf of the second party.

The document has been signed by representatives of the Village, Farmers' Group, the Subdistrict and the Company, and is currently awaiting signature from the Agriculture and Plantation Office of the Batubara Regency, then it is continued with the submission of the partnership document to the State Land Agency of the Batubara Regency, to carry out a ground check of the areas to be become the object of the Cooperation agreement in terms of determining clear and clean status

**5.2.4**

Based on a review of FFB supplier data documents for the period 2022 to July 2023 and based on a review of FFB supplier data documents for the period 2021 to July 2022 and interviews with company representatives, it was explained that the company did not receive FFB. from outsiders, but only receive FFB from their own plantations.

The company already has a training plan for best Management Practice, for partnership farmers, which will be



implemented after the MOU document is signed by the Agriculture and Plantation Office of the Batubara Regency and the partnership area is declared clear and clean by the state land agency.

**5.2.5**

Based on a review of FFB supplier data documents for the period 2022 to July 2023 and based on a review of FFB supplier data documents for the period 2021 to July 2022 and interviews with company representatives, it was explained that the company did not receive FFB. from outsiders, but only receive FFB from their own plantations.

**Status: Comply**

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

UoC had a Policy concerning on recognition of human rights stated in the Non-Discrimination and Equal Opportunity Policy of PT Socfin Indonesia which was updated in October 2021 by the Principal Director. The group aims to provide fair and equal opportunities to all its workers. The company seeks to prevent discrimination in the workplace. In employing all employees, the company committed to the principle of equality and would not discriminate or restrict, harassment or exclusion based on human distinctions or the basis of religion, ethnicity, race, ethnicity, group, class, social status, economic status, gender, language, political beliefs.

UoC also showed the record of the company's socialization for instance the socialization which was conducted on 15 August 2023 in Estate. Based on the workers' recruitment document and interviews with the workers, UoC had provided equal opportunities in recruitment and operational activities. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the gender committee, female workers are given equal rights, wages and opportunities to get promotions with male workers of the same type of work, for example, half of pesticide application workers are female workers.

**6.1.2**

UoC showed job vacancy announcements and work agreement letters between workers and company which showed that there was no payment requested during the recruitment process. In addition, in job vacancies that have been published by the company, there were no requirements that discriminated against gender, race or ethnicity, disability, sexual orientation, age, or belief.

Based on the interviews with the manpower agency, gender committee, labor unions, and workers (harvesters and mill operators) at Tanah Gambus Estate and Mill, it is known that workers have never felt that the company has discriminated against them. It was explained that all activities from recruitment, performance appraisal, and promotion were given equal opportunity regardless of ethnicity, caste, nationality, religion, disability, gender, sexual orientation, gender identity, membership in labor unions, politics, or age. There was no difference in the communication between superiors and workers because of the things mentioned above, so the workers did not feel isolated or discriminated against by the superiors. The company also didn't request for any payment during the recruitment process.

**6.1.3**

During recruitment process, the company had set the standard of competence that required based on the offered position. Selection had included evaluation of skills, performance and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of the worker as well. Records on manpower procedure had been documented, as verified randomly to the several documents, here as follows:

- Recruitment document in accordance with the recruitment requirements such as employment request form, statement

of police report, identity card (KTP), family identity card (KK), the result of medical check-up, and work agreement letter. For example, a worker on behalf of MFP (initial) who sent application letter on 22 October 2022 and started working as a harvester on 1 January 2023.

- Promotion documents such as management decree for worker's promotion. For example, a worker on behalf of HD (initial) who had a promotion based on worker's appraisal, from class 1 grade II to harvesting foreman on 20 January 2023.

**6.1.4**

Based on field observation, interviews with the management and workers, it is known that there were no discriminatory in pregnancy testing given by the company. The pregnancy test conducted only to ensure that no pregnant workers in any agrochemical works such as pesticide application and fertilizing activities proven by there was no requirement regarding pregnancy test in recruitment SOP, job hiring announcement, and medical test during recruitment. UoC also showed the list of pregnant women which informed all pregnant workers are placed in non-agrochemical works such as housing maintenance worker.

Based on the interview with women workers in field, there was no pregnancy test during recruitment process. The pregnancy test only carried out once a month for female workers to make sure that they not do any agrochemical works when pregnant.

**6.1.5**

Gender committees had been formed and still active until today in Tanah Gambus Mill and Estate which are chaired by the head of gender committee. The structure of the gender committee consists of male and female workers. The main objective of forming a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (especially women).

UoC informed that they also socialized the protection of worker's reproductive rights and sexual harassment on 15 August 2023. This procedure stated that if there were any violence or harassment, workers can communicate to the gender committee.

UoC showed the planned program of gender committee in 2023, as follows: provide the discussion forum related to gender, provide the socialization of gender health and violence happened to women, and socialization of workers' reproductive rights.

Based on the interviews with several workers, they also knew of the existence of the gender committee because it had been routinely socialized by its management. UoC then showed the questionnaire of gender committee awareness in Tanah Gambus Division 1 as a form of UoC's effort in ensuring the workers' knowledge in gender committee existence and workers equal opportunities for all genders (male or female).

**6.1.6**

Equal payment of wages has been made by the unit of certification properly, by considering the ability, performance, expertise, work period and other factors as a basis for remuneration. So that the payment of wages provided is in accordance with the types of work respectively. In addition, based on the documents review of structure and scale wage, it was found that the UoC already had a wage scale structure for each worker based on position and grade (not based on gender or origins).

Based on the interviews with workers (harvesters, maintenance workers, and mill operators), the workers already know that there was a wage scale structure for each level of workers and this has been proven by the difference in the monthly wage income presented on the pay slip. Based on the document review of worker's pay slip in both gender and the interviews with the workers in the same grade and same job, it's known that the monthly wages received are in accordance with the grade owned by each worker. For example: the female worker on behalf of RH (initial) in maintenance activity received the same wage as male worker on behalf of IG (initial) in maintenance activity (both worker were at the same period of work).

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

**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**

UoC had procedures related to recruitment, selection, remuneration, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period of 2022 to 2024 written in *Bahasa*. This CLA explained the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, overtime, and other provisions. It's applied to all workers and had been routinely disseminated by the certification unit to all employees, one of the socializations that was carried out on 15 August 2023.

**Structure and Scale of Wage**

UoC showed the decree of the Governor of Sumatera Utara No. 188.44/1011/KPTS/2022 concerning the minimum wage of Batu Bara District in Kalimantan Timur period of 2023 is Rp. 3,410,034.02/month. The minimum wage was only determined for workers with 1 year working period or less. UoC then showed the decree No. UM/KK/BI/322/23 concerning the minimum wage of permanent worker in 2023 is Rp.3,410,034.-/month for workers under a year work period. The wage was contained of basic wage Rp. 3,255,534 plus the rice allowance as much as Rp. 154,500/month so the total wage was Rp. 3,410,034 per month.

UoC had showed the structure and scale of wage stated in Internal Memorandum No. UM/PB/R/042/23. This document stated that the worker's wage determination was divided into several classes and grades, for example: grade 1 class 1 as the lowest grade received Rp. 3,311,800 basic wage per month. However, the wage structure and scale were only for staffs and UoC hasn't established a wage scale and structure yet for workers with up to one year working period.

Based on the document review of worker's work agreement letter on behalf of RH (initials) it's known that the worker was appointed as employee on 22 November 2005. UoC hasn't been able to show the evidence regarding the wage structure and scale for workers with up to one year working period as requested in related regulation (Government Regulation No. 36 of 2021).

In addition, UoC showed the contract worker agreement of daycare No. TG/X/BI/422/2022 on behalf of YN (initials) which was valid from 1 January 2023 to 31 December 2023. This document stated that workers were obliged to care for employees' children every Thursday to Saturday at 07.00 to 12.00 (5 hours work) with total wage of Rp. 1,250,000/month.

Based on the document review of worker's wage payment on behalf of YN (initial) for the period of July 2023 was Rp. 1,170,000 with total 12 working days. Based on a simulation of hourly wages calculation in accordance with the applicable regulations, the salary that should be received by worker on behalf of YN (initial) in July 2023 was Rp. 1,623,826 with detailed calculations:

- a) Total hourly wages:  $\text{Rp. } 3,410,034 / 126 = \text{Rp. } 27,064$  per hour
- b) Total working hours of workers in a day:  $5 \text{ hours} \times \text{Rp. } 27,064 = \text{Rp. } 135,319/\text{day}$
- c) Total working days on behalf of YN (initial) in July 2023 was 12 working days. So that the total salary in a month was:  $\text{Rp. } 135,319 \times 12 \text{ days} = \text{Rp. } 1,623,826$ .

Based on the explanation above, it's concluded that UoC hasn't been able to show the evidence regarding the wages of workers with a working period of more than 1 (one) year were guided by the structure and scale of wages (PP No. 36 of 2021) and workers' hourly wages was not in accordance with applicable regulations (PP No. 36 of 2021). **This matter has raised as a non-conformity No. 2023.01 with Major Category.**

**6.2.2**

UoC has CLA period 2022 to 2024 provided in *Bahasa* that explains the working conditions and rights / obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, working hours, remuneration, discipline, deduction, overtime, sick leaves, holiday entitlement, maternity leave, and other provisions. These all stated in each worker's work agreement. Explanations related to the contents of the company regulation, including:

- Article 5 concerning working time which explains that there are 2 types of working time in the company, namely by

working 8 hours per day or 5 working days in a week and 7 hours per day or 6 working days in a week in which the total working hours are 40 hours in a week.

- Article 6 concerning wages which explains that the lowest wage of worker couldn't be lower than the minimum wage set by the government every year.

In addition, remuneration is generally stated in company regulation, and specifically stated in a decree explaining these matters, as follows:

- Decree of the Governor of Sumatera Utara No. 188.44/1011/KPTS/2022 concerning the minimum wage of Batu Bara District in Kalimantan Timur period of 2023 is Rp. 3,410,034.02/month.
- Decree No. UM/KK/BI/322/23 concerning the minimum wage of permanent worker in 2023 is Rp.3,410,034.-/month for workers under a year work period. The wage was contained of basic wage Rp. 3,255,534 plus the rice allowance as much as Rp. 154,500/month.
- Internal Memorandum No. UM/PB/R/042/23 regarding structure and scale of wage. This document stated that the worker's wage determination was divided into several classes and grades, for example: grade 1 class 1 as the lowest grade received Rp. 3,311,800 basic wage per month.

### **6.2.3**

UoC showed overtime payment in July 2023 that has been in accordance with applicable laws for workers on behalf of MN (initial) as boiler operator, and JS (initial) as sterilizer operator. In the pay slip document, it's known that the nominal of the worker's overtime wages has in accordance with the overtime calculation. Based on the interview with security in mill, it's known that they had 3 shift and received incentive as a replacement of overtime. UoC then showed the simulation of incentive and overtime payment which conclude that the monthly incentive wasn't below the overtime payment.

A review of payslip document (harvester, maintenance worker, security, and mill operators) for April and July 2023, proved that the wages received are above the minimum wage and in accordance with the wage scale structure determined by the certification unit for 2023. Payslip document gives accurate information on compensation consist of basic wage, allowance, overtime, working days and deduction.

UoC also showed paid leave letter which showed that maternity leave was given 3 months of paid leave. For example, the paid leave letter on behalf of SAS (initial), who had given 3 months (1.5 months before give birth and 1.5 months after give birth) and had been approved by the supervisor. Besides, UoC also showed that female worker was also provided by period leave for example on behalf of HS (initial) for a day on 15 August 2023.

Unit of certification had shown their consistency in this assessment of work agreements that are owned by every worker so there was no policy to accept family members who work without a valid work association. In addition, in the field observation activities during the audit, there were no family members of workers who helped work in the field without work ties and the workers' work agreements has in accordance with their work on field.

### **6.2.4**

UoC has provided welfare facilities to occupants in the form of housing, water supply, mosque, clinic and other facilities in each unit. Based on the field visit in the housing area of Division 2 and 4, it revealed that workers were provided with adequate housing facilities inhabited by a family and there was daycare for children. Based on the interview with workers in mill and estate, it's known that UoC had provided the workers with adequate housing facilities, health facility, and religious facility.

In addition, the company also provided waste disposal sites for domestic waste management. For health services, the company provides clinics and paramedics. Based on field observations, it's known that the facilities and infrastructure provided for workers are still functioning properly.

In general, the facilities provided by the certification unit are in good condition and sufficient quantities related to the number of workers in each unit. Based on field observation, all housing has well-maintained drainage. The certification unit has also conducted monitoring for the condition of the feasibility of the facilities provided every year, such as housing

which repaired if there were damage (usually if there were any damage, the worker will inform it and it will be handled directly by the company).

**6.2.5**

Based on the interviews and the field visit, there were traditional market located close to company's housing complex which can be accessed by workers within thirty minutes. There were also some workers who open small business stalls to sell daily necessities in each housing.

Based on the interviews with workers (harvesters and mill operators), labor unions and gender committees, it's known that workers have no difficulty in getting food sources. In addition, workers can buy these needs to the markets around the company's area without any difficulties.

**6.2.6**

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

UoC has the determination of assessment prevailing wage and all kinds of benefit for living wage simulation in 2023 has been included in the calculation of annual bonus, health insurance, water cost, entertainment cost, health facilities, and housing facility costs. The results of these calculations are known that the standard of prevailing wage currently given / simulated by the certification unit is above the stipulation of the minimum wage in each work type, as follows: basic salary as much as Rp. 3,410,034 per month and the total wage and inkind benefits are Rp. 6,287,178 per month.

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

**6.2.7**

Based on the document review of workers' mandatory report, it's known that there were 70 contract workers in harvesting. Based on the interview with the management representatives, it's known that these contract workers recruited in order to fulfil harvesting workers during peak crop. UoC then showed the analysis of manpower during the peak season dated in January 2023. This document informed that during normal condition, UoC needs 290 harvesting workers while the existence of harvesting workers (permanent) were 280 workers. Based on the document review, it's known that the total FFB production in March 2023 increased from the previous months.

UoC then showed the sample of contract workers agreement in March to May 2023 then extended to July until August 2023, for example: Contract worker agreement on behalf of WS No. RG/X/PKWT/BI/68/2023 as a harvesting worker valid for 3 months (2 June 2023 to 31 August 2023).

<b>6.2.1</b>	<b>Status: Non-Conformity No. 2023.01 with Major Category.</b>
--------------	--

<b>6.3</b>	<b>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.</b>
------------	---

**6.3.1**

UoC had a policy concerning on the freedom of association stated in Freedom of Association Policy signed by the Principal Director on 1 June 2019. It stated that the group respects workers' rights to freedom of association and association with other individuals and collectively expresses, encourages, pursues, and defends the common interest. The policy was published in *Bahasa* which can be understood by all employees.

The company has a policy regarding the formation of labor unions which is stated in the Freedom of Association Policy signed by the Principal Director on June 1, 2019. The policy states that Socfindo respects the right of all employees to freedom of association and the right to collective bargaining in Indonesian or another language of their choice as a human right. Based on interviews with workers, it is known that workers are given the freedom to join trade unions in the company.



Based on the interviews with labor union representatives in each unit, it explained that the company had given freedom of association and labor unions have been formed. The establishment of the union was in accordance with the applicable laws and regulations and has been recorded in Manpower Agency of Batu Bara District, for instance the Registration Number. 560/1991/06/2013 of SPSI on 8 July 2013. UoC also had registered the legalization of labor union's committee in mill No. 322/ORG/PC FSP.PP-SPSI-BB/V/2022 on 30 May 2022. UoC gave the freedom for worker to express their aspiration democratically and there was no intervention against labor union activity.

Based on the document review, it's known that the UoC also documented the number of labor union operating in UoC operations area and its members' number, for instance: Labor Union of Tanah Gambus Mill with 256 total members and Labor Union of Estate with 638 members. Based on the interviews with labor union members representatives, it's known that there was no force or pressure to be a member of labor union. The membership of labor union was voluntary yet most of the workers registered in labor union to ease them if once there's a manpower case.

**6.3.2**

UoC has well-documented the records of meetings between labor unions and management representatives as well as with internal labor union meetings. The following are examples of records of meetings conducted by labor unions in 2023, here as follows:

- The internal meeting of labor union on 4 August 2023 to discuss about the celebration of Independence Day.
- The meeting between the labor union in all units and management representative on 17 January 2023 to talk about transport incentive in 2023.

Based on the interviews with labor union representatives and their members who work in each unit, it's known that the labor union held meetings whenever it's needed. The meetings accommodated in bipartite and internal meeting and there has been no labor issue that brought to Manpower Agency.

**6.3.3**

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

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

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

**6.4 Children are not employed or exploited.**

**6.4.1**

UoC had a policy concerning on children/underage worker protection stated in Children Protection Policy validated by the Principal Director on 1 June 2019. It stated that the group committed to not employ child labor in any operational activities. Uoc also showed the policy of recruitment (SOC/PSM/6.01.01) validated on 20 February 2020 which stated that they do not employ underage worker.

UoC then showed that the work agreement with local contractors also stated that the minimum age requirements for workers were 18 years old. UoC had socialized the policy to all parties including smallholders and contractors for instance the socialization held on 12 April 2023 attended by workers and contractor workers.



**6.4.2**

UoC showed the recruitment document in accordance with the recruitment requirements such as application letter of workers on behalf of TMO (initial), statement of police report, identity card (KTP), family identity card (KK) which stated that the worker is above the minimum age of worker.

Uoc had socialized the policy to all parties including contractors for instance the socialization held on 12 April 2023 attended by workers and contractor workers. Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. In addition, UoC also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement.

**6.4.3**

Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. Based on the document verification, there were 72 internship workers in 2023 from various universities and high schools in Sumatera Utara placed as an observant only (not in a specific job).

**6.4.4**

Uoc had socialized the policy to all parties including smallholders and contractors for instance the socialization held on 12 April 2023 attended by workers and contractor workers. Based on documents verification and field observation, there were no workers under the age of 18 and there was no child around the work area. In addition, UoC also includes clauses on child protection and prohibitions on hiring workers under the age of 18 in any agreement.

**Status: Comply**

**6.5**

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

**6.5.1**

UoC had a policy concerning on reproductive rights and the prevention of sexual harassment and violence stated in Reproductive Rights Policy validated on 1 June 2019 by Principal Director. This policy stated that every worker is entitled to receive protection against sexual harassment in the workplace and if convicted of sexual abuse, there will be penalized in accordance with applicable regulations.

UoC also showed the record of the company's socialization using the poster posted in UoC's strategic spots. This poster explained the mechanism of all grievances including violence and sexual harassment. However, illiterate people can submit their complaints through the representative of internal stakeholder (gender committee and labor union).

**6.5.2**

UoC showed the collective labor agreement period of 2022 to 2024 which stated about the UoC provide paid leave for maternity as three months and for woman in menstruation period as 2 days paid leave. Based on the documents review and interviews with workers (harvesters, maintenance workers, and mill operators), disallowance of sexual harassment, violence, and pregnant worker in any agrochemical activities had been routinely socialized by the management, one of the socializations was carried out on 12 April 2023 which was attended by workers.

Based on the interviews with the gender committee and daycare officer, the company had given about 30 minutes for breastfeeding woman and provided certain place for breastfeeding. There were no grievance or complaint related to sexual harassment during 2022 to 2023.

**6.5.3**

Based on the interviews with gender committee representatives and field observation, it is known that the UoC has provided a certain place for breastfeeding at daycare with special time to breastfeed. There was no prohibition from supervisors in the field related to this matter and specifically workers in the field who do not bring a vehicle will be delivered/picked up by the foreman at these times.

UoC also showed that they had well-evaluate the needs of pregnant women by periodically identify the needs of new mother and also involved the pregnant workers. UoC then showed the result of new mothers' need identification which

was conducted through questionnaire in May 2023, for example: a questionnaire of new mother's needs answered by on behalf of SAS (initial) which showed that she's emphasize the new mom's knowledge towards baby's healthy and breastfeeding. UoC then showed the identification report of new mom's need on 1 July 2023. This document informed the needs of new mother, as follows: providing the room to breastfeed in every afdeling, providing daycare, the setup of new mom's work location, the improvement of new mom's knowledge, and feeding baby supplements.

**6.5.4**

UoC showed the procedure to accommodate complaints and grievance from employees specifically in sexual harassment and violence (No. SOC/PSM/9.02 revision 8 validated on 28 June 2023). In the procedure described that if requested, the company guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower). UoC also provided whistleblowing by email, company website, and letter to complaint reporting unit for any confidentiality grievance.

Based on the interviews with workers it's known that the workers already have sufficient understanding of the grievance mechanism. Related complaints of sexual harassment can be submitted to the gender committee. In the last year period, there was no complaint related to sexual harassment, violence at work/reproductive rights.

**Status: Comply**

**6.6**

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

**6.6.1**

UoC had a policy concerning on force-labor ban stated in Force-Labor Ban Policy validated by the Principal Director on 1 June 2019. The policy stated that the company respecting human rights and respecting employee rights by prohibiting document detention, forced overtime, wage detention, prohibition of resign, and penalty of termination.

UoC also showed the policy of recruitment (SOC/PSM/6.01.01) validated on 20 February 2020 by the Principal Director which informed that workers do not take any recruitment fees at any stage of the recruitment process, and no retention of passports/identity documents. UoC then showed that on each work agreement between the certification unit and the contractor/supplier, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors.

Based on the interviews with manpower agency, gender committee, labor union, and workers at Mill and Estate, it's known that workers have never felt discriminated and forced to work by the company. There were no significant obstacles related to employment or violations of company regulations. UoC provided output targets that can be obtained in less than 7 hours of work. If the harvester obtains more output within or more than 7 working hours, then the harvester will get the incentive payment. No penalty was given to the harvester if it does not get output due to natural factors such as rain. Based on pay slip document and foreman notes of harvesters daily output, the harvesters have earned more than daily output target and the wages the harvesters received was above the minimum wage.

There was no pressure/forced in doing overtime work, workers who had overtime at the company can refuse if ordered to do overtime activities because overtime is not the worker's obligation.

**6.6.2**

Based on documents review and interviews with the manpower agency, gender committee, labor union, and workers at Tanah Gambus Estate and Mill it's known that there was no migrant worker in all units. UoC still have workers with contract status (PKWT) for few works such as daycare officers and harvesting. All the rights for each employment status has been distinguished for workers with contract status (PKWT) and the permanent status (PKWTT). There was no discrimination between contract workers and permanent workers.

**Status: Comply**

**6.7**

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

**6.7.1**

The company already has an OHS organization that is responsible for OHS at PT Socfindo-Tanah Gambus. The company has shown a decree approving the OHS Committee by the relevant agency in accordance with the OHS Committee personnel, which is stated in the Decree of the Head of the Sumatera Utara Province Manpower Service number: 500.15.18/205-7/Disnaker/VII/2023 dated July 7 2023 with the P2K3 secretary in the name of SI (initials). The company has also demonstrated a letter of appointment of a general OHS expert from the Ministry of Manpower of the Republic of Indonesia based on Decree No. 5/33440/AS.02.04/XII/2020 dated December 22, 2020. This decision is valid for 3 years.

The OHS Committee has also shown the minutes of the monthly OHS Committee meeting of PT Socfindo -Tanah Gambus. The meeting discussed the realization of the OHS program, monitoring PPE compliance, evaluating work accidents and so on. Examples of the implementation of monthly meeting activities are:

- Period April 14 2023 attended by 29 participants
- Period 12 May 2023 attended by 31 participants
- Period 14 June 2023 attended by 26 participants

In addition to the regular monthly meetings held, the company has also sent regular OHS Committee reports to Batubara District Manpower Office, which are as follows:

- OHS Committee report for the 1st quarter of 2023 which was submitted to the Batubara district manpower and transmigration office on April 24, 2023.
- OHS Committee report for the 2nd quarter of 2023 which was submitted to the Batubara district manpower and transmigration office on July 31, 2023.

**6.7.2**

The unit of certification shows emergency and work accident response procedures that are documented in Indonesian and include:

- SOP for Emergency Preparedness and Response (SOC/PSM/4.08),
- Accident Reporting and Investigation Procedures (SOC/PSM/4.14),
- Procedure for Diagnosis and Reporting of Occupational Diseases (PAK) (SOC/PSM/4.23),
- LK3 Monitoring and Measurement Procedure (SOC/PSM/4.09),
- Accident Reporting and Investigation Procedure (SOC/PSM/4.14), Scope includes handling and reporting of work accidents and Occupational Diseases,
- SOP for Emergency Preparedness and Response (SOC/PSM/4.08) covers Scope: emergency preparedness and response activities in plantations, factories and other supporting units.

The company already has a first aid officer at PT Socfindo – Tanah Gambus Estate as stated in the letter of appointment of first aid officer number TG/Div/Bi/219/22 dated 21 July 2022. Based on this document, it is known that there are 47 officers at PT Socfindo-Tanah Gambus Estate.

Based on the results of the field visit to Tanah Gambus Estate, it was discovered that the first aid officers were each field foreman (both Estate and Factory).

The company has also shown documents recording work accident records for the period 2022 and 2023. These documents explain the types of work accidents, causes of work accidents, investigation results, and cost claims.

Based on the results of field visits to POM, housing locations (both Estate and Mill) and estate offices, it is known that at these locations there are signs for evacuation routes and gathering points in the event of an emergency.

**6.7.3**

The certification unit shows the procedures for Identification of Environmental Aspects of Occupational Safety and Health. Procedure for Identification of Environmental Aspects of Occupational Safety and Health (SOC/PSM/4.04). Based on this, identification of key K3 aspects is carried out in the document List of Important Aspects of Occupational Safety and Health (SOC/Form/ 4.04) -06) then document the results of the important OHS assessment in the Impact Assessment Table (SOC/Dp/4.04-01).

The company has provided PPE to workers according to the type of work, identification of hazards and risks as well as MSDS (specifically for workers dealing with chemicals). This is in accordance with the results of field visits to both Tanah Gambus Estate and Tanah Gambus POM, it is known that all workers have used PPE appropriate to the type of work, for example engine room operators have used PPE in the form of Safety Shoes, Ear Muffs, Masks, Gloves, and Helmet.

Based on the results of a field visit to Tanah Gambus Estate, it is known that a rinse house is available as a means for spray workers to sanitize themselves, work tools and PPE. Based on the results of interviews with spray workers at block 19 Division 1 Tanah Gambus Estate, it is known that the workers understand the function of the rinse house provided by the company. Workers explain that work tools, PPE, clothing fibers that have been used while working cannot be taken home and cleaned at home. Workers are required to sanitize themselves in the rinse house provided. In the rinse house there is also a channel to collect water used for washing spray equipment and PPE. The water used for washing work tools and PPE will be reused as water for mixing chemicals in the next spraying activity. The worker also explained that PPE that has been damaged can be replaced by showing the PPE that has been damaged and then getting a replacement without charge.

Based on the results of a field visit to the pesticide storage warehouse at Tanah Gambus Estate, it was discovered that all chemicals were equipped with material safety data sheets. The safety data sheet for this material is available in Indonesian.

#### **6.7.4**

The company has provided health services for workers with the availability of Estate clinics and the inclusion of workers in the *BPJS* program, both *BPJS* Health and *BPJS* Employment as a form of work accident insurance. The company has also shown proof of payment for *BPJS* (Health and Employment) membership for all employees. The examples are:

- Proof of payment for *BPJS* Health PT Socfindo-Tanah Gambus for the June 2023 period paid through Bank Mandiri on June 8 2023 for 937 participants.
- Proof of payment for *BPJS* Health PT Socfindo-Tanah Gambus for the July 2023 period paid via Bank Mandiri on July 7 2023 for 945 participants.
- Proof of *BPJS* Employment PT Socfindo-Tanah Gambus payment for the June 2023 period paid through Bank Mandiri on June 8 2023 for 901 participants.
- Proof of *BPJS* Employment PT Socfindo-Tanah Gambus payment for the July 2023 period paid via Bank Mandiri on July 7 2023 for 911 participants.

Based on the employee list for July 2023, it is known that the number of employees at PT Socfindo-Tanah Gambus is 894 workers. Based on the results of interviews with company management, it is known that there is a difference in payments for *BPJS* Health and *BPJS* employment participants because *BPJS* payments made include all levels of PT Socfindo management.

The company has also shown documents recording work accidents for the period 2022 and 2023. Based on these documents, it is known that there were several work accidents that resulted in expense claims. An example is as stated in document letter number TG/X/Bi/177/23 dated March 25 2023 from PT Socfindo-Tanah Gambus to the *BPJS* Employment Office, Indrapura Branch. Submission of cost claims was made for 3 workers, and all requirements for submitting cost claims have been completed by the company, such as work accident report stage 2, Form 3a KK2, details of costs and worker absences. Based on the company management's explanation, all requirements for making claims for work accident costs have been submitted to the local *BPJS* Employment and payments/claims for medical costs at hospitals are made directly by *BPJS* Employment.

#### **6.7.5**

The company has presented a guideline document for calculating Frequency Rate and Severity Rate with document number SOC/DPI/4.09-02 which is valid from January 1 2023. This document regulates the procedures and formulas for calculating FR and SR.

The company has also shown the 2022 LTA document which refers to the updated FR and SR calculation guidelines. The LTA for 2022 is as follows:

- Estate :  
 Work accident: 4 days  
 Number of days lost from work: 68 days  
 FR : 2.39  
 SR : 40.64
- POM :  
 Work accident: 2 days  
 Number of days lost from work: 68 days  
 FR : 2.39  
 SR : 40.64

Socialization of Guidelines for calculating Frequency Rate and Severity Rate to officers responsible for LTA calculations which was carried out on January 5 2023 and was attended by 25 participants.

Based on the results of interviews with company management and representatives of the Batubara Regency Manpower and Transmigration Service, it was explained that the Decree of the Director General of Industrial Relations Development and Labor Inspection of the Indonesian Ministry of Manpower No. KEP.84/BW/1998 concerning How to Complete the Accident Report and Statistical Analysis Form is a guide for labor inspectors to carry out reports related to work accidents.

**Status: Comply**

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

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

**7.1.1**

The company has a Pest and Plant Disease control program which is stated in several work instructions, namely as follows:

- Work Instructions for Weed Control in Oil Palm Plants No. SOC-KKS/IK/13 Document 3<sup>rd</sup> Revision on January 01<sup>st</sup> 2020 which was ratified by the Head of Plant Section
- Work Instructions for Integrated Pest Control *Oryctes rhinoceros* No. Document SOC/PSM/7.10-11 05<sup>th</sup> Revision on October 01<sup>st</sup> 2020 which was ratified by General Manager and Principal Director
- Work Instructions for Integrated Pest Control of Oil Palm Leaf-eating Caterpillars No. Document SOC-PSM/7.10-13 06<sup>th</sup> Revision on January 13<sup>th</sup> 2020 which was ratified by the General Manager and Principal Director
- Work Instructions for Integrated Rat Pest Control No. Document SOC/PSM/7.10-21 03<sup>rd</sup> Revision on January 13<sup>th</sup>, 2020 which was ratified by the General Manager and Principal Director.

Apart from that, the company also has a biological pest control program by planting beneficial plants such as *Antigonon leptopus* and *Casia corbanensis* as a breeding ground for *Sycanus* sp insects which are natural predators of leaf caterpillar pests. The company is also currently breeding owls (*Tyto alba*) as a form of rat pest control. This is in accordance with the results of a field visit to Tanah Gambus Estate. Along the main road, *Antigonon* and other beneficial plants have been planted.

The company has also shown a document of observation/census of pests and diseases in Tanah Gambus Estate for the period 2023. The document explains that a census was carried out on attacks by leaf caterpillars, bagworms, *Oryctes* and rats. Based on this document, it is known that there were no pest attacks that exceeded the control threshold. This is also in line with the results of field visits to Tanah Gambus Estate, for example during visits to harvest activities at Block 24 Division I and block 112 Division V where there were no symptoms of pest attacks at those locations.



**7.1.2**

The company has shown a document listing the identification of Invasive Species at PT Socfindo-Tanah Gambus for 2023. Based on this document, it is known that Turnera Ulmifolia has been planted in Tanah Gambus Estate with a total planting point of 628 meters. Based on Minister of Environment and Forestry Regulation No. P94/MENLHK/SEKJEN/KUM.1/12/2016 regarding invasive species, it is known that Turnera Ulmifolia is an invasive species. As one form of monitoring carried out by the company is by planting on the side of the road and the maintenance (pruning) of these plants.

**7.1.3**

Based on the results of interviews with company management, interviews with representatives of surrounding villages (for example Mangke Lama village), as well as the results of field visits, it is known that the company does not use fire to control pests and diseases. Companies currently control pests and diseases using pesticides.

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

**7.2**

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

**7.2.1**

The company has shown a document listing the pesticides used by PT Socfindo – Tanah Gambus Estate for the 2022/2023 period. The document explains the name of the pesticide, active ingredient, LD50, registration number, distribution permit period and justification for pesticide use. Based on these documents it is known that there were 30 types of pesticide trademarks used at Tanah Gambus Estate during that period. The examples are:

- Round Up with the active ingredient Isopropyl amine glyphosate, LD50 9,041 mg/Kg, RI registration number. 01030120001560 which is valid until 1 June 2025 with the target weeds being narrow leaf weeds and broad leaf weeds.
- Starthenw with the active ingredient Acefat, LD50 1,366 mg/Kg, RI registration number. 01010120072983 which is valid until May 2, 2027 with the target being leaf-eating caterpillars.

Based on the results of interviews with company management, it is known that weed control is based on actual conditions in the field. Likewise, the use of insecticides must be based on the results of a census of pests and diseases. If the pest attack conditions are below the threshold, then no control is carried out.

**7.2.2**

Estate for the 2022/2023 period. The document explains the name of the pesticide, active ingredient, LD50, registration number, distribution permit period, justification for pesticide use, area of use and total pesticide use. Based on this document, it is known that there were 30 types of pesticide trademarks used in Tanah Gambus Estate during that period. The examples are:

- Round Up with the active ingredient Isopropyl amine glyphosate, LD50 9,041 mg/Kg, RI registration number. 01030120001560 which is valid until 1 June 2025 with target weeds being narrow-leafed weeds and broad-leafed weeds with total use during 2023 of 7,808 liters and a use area of 9,683 ha.
- Starthene with the active ingredient Acefat, LD50 1,366 mg/Kg, RI registration number. 01010120072983 which is valid until 2 May 2027 with the target being leaf-eating caterpillars with a total use during the 2023 period of 1,653 Kg with an area of use of 1,240 ha.

Based on the results of interviews with company management, it is known that weed control is based on actual conditions in the field. Likewise, the use of insecticides must be based on the results of a pest and disease census. If the pest attack conditions are below the threshold, then no control is carried out.

**7.2.3**

Based on the results of interviews with company management, it is known that weed control is based on actual conditions in the field. Likewise, the use of insecticides must be based on the results of a pest and disease census. If the pest attack conditions are below the threshold, then no control is carried out.

Based on the results of a study of documents on pesticide use in Tanah Gambus Estate for the period 2022 and 2023, it



is known that there has been a decrease in pesticide use during that period. In 2022, it is known that the ratio of pesticide use will be 0.28 Kg, L/ha, while pesticide use in 2023 will be 0.25 Kg, L/ha.

Apart from that, the company also no longer uses pesticides containing the active ingredient paraquat to control weeds at PT Socfindo.

Apart from that, the company also has a biological pest control program by planting beneficial plants such as *Antigonon leptopus* and *Casia corbanensis* as a breeding ground for *Sycanus* sp insects which are natural predators of leaf caterpillar pests. The company is also currently breeding owls (*Tyto alba*) as a form of rat pest control. This is in accordance with the results of a field visit to Tanah Gambus Estate Along the main road, Antigonon and other beneficial plants have been planted. This is part of the company's Integrated Pest Management.

#### **7.2.4**

The company showed the SOP for Integrated Pest Control *Oryctes rhinoceros* No. SOC/PSM/7.10-11, Edition 01, Revision 05, effective as of October 1, 2020, it is known that the Company does not use pesticides preventively to control pests and diseases (prophylactic).

Based on the results of interviews with company management, it is known that all pest and disease control must be based on census results.

#### **7.2.5**

The company has shown documents listing the pesticides used at PT Socfindo – Tanah Gambus Estate for the period 2022 – 2023. Based on these documents it is known that there were 30 trademarks used during that period and there were no pesticides with active paraquat ingredients or pesticides that fall into class IA and IB WHO.

#### **7.2.6**

The company has procedures related to handling chemicals with document number SOC/PSM/4.10 edition 1, revision 02 which has been effective since October 1, 2010. In these procedures, it has clearly explained the handling of chemicals starting from the incoming materials, storage methods, MSDS, handling of residual chemicals, and others.

The company has shown documents of training minutes for spray workers at Tanah Gambus Estate, which are as follows:

- Socialization on handling hazardous chemicals for spray and fertilizer workers which was held on March 8 2023 and was attended by 18 participants (division I).
- Socialization on the handling of hazardous chemicals for spray and fertilizer workers which was held on March 2, 2023 and was attended by 16 participants (division II)..
- Socialization on the handling of hazardous chemicals for spray and fertilizer workers which was held on March 2, 2023 and was attended by 12 participants (division III).
- Socialization on the handling of hazardous chemicals for spray and fertilizer workers which was held on March 17 2023 and was attended by 15 participants (division IV).

Socialization on handling hazardous chemicals for spray and fertilizer workers which was held on March 20 2023 and was attended by 23 participants (division V).

Based on the results of interviews with spray workers at the Spraying Circle & Path, Block 19 Division I and Selective Spraying activities. Block 117 Division V is known that workers have understood the procedures related to handling chemicals and have used PPE in accordance with the identification and MSDS of the chemicals used. It was explained that workers must use appropriate PPE, not spray near waterways/rivers, and not spray against the wind. It was also explained that workers are required to clean themselves, rinse work tools and PPE at home which have been provided by the company and are prohibited from bringing work tools and spray PPE to their respective homes to prevent chemical contamination of workers' family members.

#### **7.2.7**

Based on the results of field visits to chemical storage warehouses, it is known that pesticide storage is carried out according to the type of each pesticide. Each pesticide has been equipped with an MSDS (in Indonesian). The pesticide

storage warehouse also has good air circulation.

**7.2.8**

The company has a procedure for Handling Chemical Packaging Waste Guidelines (Doc No.: SOC/DP/4.11-05, Rev No.: 09, effective January 1 2023, which informs rinse house procedures and types of B3 packaging waste produced within PT SOCFINDO, including others: waste bottles, sachets, jerry cans, gunny fertilizer, buckets, drums and other ex-chemical packaging. The procedure also explains that:

- B3 Packaging Waste & B3 Waste located in the producing area must be handed over to the B3 Waste Warehouse every time it is produced
- Ex-chemical packaging waste from afdeling sent to the B3 Waste warehouse must be accompanied by a note of delivery of the B3 Waste initiated by the officer who handed it over (afdeling) and the officer who received the B3 Waste (LB3 Warehouse)

Based on the results of document verification, the Company shows documents recording used packaging waste for Hazardous and Toxic Materials, and proof of delivery to licensed third parties, including:

- A. Minutes of Handover of B3 Waste from PT Socfindo Kebun Tanah Gambus to PT Amindy Barokah Sumatera Utara, on July 21 2023, vehicle BK 97777 MP, with the type of waste:
  - Contaminated packaging waste: 30 kg
  - Used packaging: 1045.5 kg
  
- B. Manifest
  - Manifest Number KLHK-1697507602, type of contaminated waste B3, waste code A108d, volume 0.03ton, 21 July 2023, BK 9777 MP
  - Manifest Number KLHK-1697202031, used packaging waste type B3, waste code B104d, volume 1.0455 tons, 21 July 2023, BK 9777 MP

During a field visit to the Temporary Storage Place for Toxic Hazardous Waste at POM Tanah Gambus, it was discovered that the used pesticide packaging waste was stored in the Temporary Storage Place, neatly placed and equipped with labels and symbols according to the characteristics of toxic hazardous material waste, and recorded on a board. recording entry and exit of toxic hazardous waste, with an example of information on the board, in the form of recording 6 pieces of used pesticide packaging (Round up), on July 24 2023.

**7.2.9**

Based on the results of interviews with company management, representatives of surrounding villages (Tanah Gambus Village, Mangke Lama Village, and Sumber Makmur Village) and representatives of the Batubara Regency Agriculture Service, it is known that there was no aerial application of pesticides carried out by PT Socfindo.

**7.2.10**

The company has presented a health check list document for all employees at PT Socfindo-Tanah Gambus which will be carried out on May 22 – June 5 2023 by the Anugerah Ibu specialist clinic. Based on this document, it is known that 157 participants have carried out general periodic health checks and special health checks for workers at high risk, such as workers who come into contact with chemicals (including pesticide applicators). Based on the results of the medical examination it is known that all workers are healthy and fit to work.

**7.2.11**

Based on the results of field visits and interviews with spray workers in block 19 Division I and block 117 Division V, it is known that there are no pregnant or breastfeeding workers working as pesticide applicators. The workers explained that if there are pregnant or breastfeeding women, the workers are not allowed to work on jobs that come into contact with chemicals and will be transferred to jobs that are not related to chemicals.

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

**7.3**  
**Waste is reduced, recycled, reused and disposed of in ways that are environmentally and socially responsible manner.**

**7.3.1**

The company has a Waste Management Plan, which is contained in the document:

- A. Identification of waste control (SOC/Form/4.11-01), for example: Warehouse area for fertilizers, poisons, chemicals; Type of Waste: Used Lubricant Packaging, waste classification: B3 has no economic value; TPS I location: in warehouse B3; TPA/Control: handed over to a licensed B3 waste collector.

Meanwhile, at the factory there are several hazardous wastes produced from factory operations, with details below (but not limited):

- POME
- Palm shells
- Fiber
- Empty bunch

- B. Guidelines for Handling Chemical Packaging Waste (Doc No.: SOC/DP/4.11-05, Rev No.: 09, effective January 1 2023, which informs rinse house procedures and types of B3 packaging waste produced within PT SOCFINDO, including, among others: waste bottles, sachets, jerry cans, gunny fertilizer, buckets, drums and other ex-chemical packaging The procedure also explains that:

- Delivery of B3 packaging waste & B3 waste to producing areas, such as: afdeling, chemical warehouses, water treatment, is not permitted to be stored in these areas. The B3 packaging waste must be handed over to the B3 Waste Warehouse every time B3 waste is produced in the area.
- Handover of B3 waste to licensed collectors: at least once every 3 months, a designated licensed transporter will transport B3 waste from each plantation.

- C. Guidelines for Handling Domestic Waste no SOC/DP/4.11-04 Rev: 03 dated 1 August 2020.

1. Organic: leaves, paper, vegetable scraps, food scraps, etc
2. An Organic: Plastic, Glass, Steorofoam, Cans, etc
3. General handling:

- Providing waste disposal sites (TPS 1) in each area, including: work stations in factories, warehouses, offices and housing which consist of organic and inorganic TPS.
- Each division has one inorganic TPA or 2 types of organic and inorganic TPA.

4. Handling domestic waste in factories

- Handling of domestic waste in factories in accordance with Minister of Environment Regulation No. 68 of 2016 (domestic waste in question is liquid waste produced from workers' activities in factories, namely from employee toilets.
- Building a domestic waste WWTP and setting coordinate points for sampling
- Conduct domestic waste analysis by an accredited laboratory every month

- D. Rinse house procedures Doc No.: SOCP/DP/4.11-11, No. Rev: 00, coming into force January 1, 2020, stated:

- Rinse room waste is collected in secondary containment and then pumped to the poison mixing tank for the next day's spraying activities

In managing Toxic Hazardous Waste and Liquid Waste Management, the company has a management permit and cooperation with the management of toxic hazardous waste, as follows:

- Hazardous Waste Warehouse Permit based on Decree of the Head of the Environmental Agency Batubara Regency No. 660/1052 dated May 25, 2018 and is valid for 5 years.
- Liquid Waste Disposal Permit based on the Decree of the Batubara Regency No. 660/5631/IPLC/2021 dated 31 December 2021 concerning Industrial Wastewater Disposal Permit. The permit is valid for up to 5 years.
- Hazardous Waste Management Cooperation Contract Between PT Socfin and PT Amindy Barokah SUMUT and PT Sumatera Deli Lestari Indah, Number: 265/SI-ABS-SDLI/SPK-LB3/IX/2022, September 9, 2022. Valid until September 19, 2023.

The company shows proof of identification based on its toxicity and hazardous characteristics, and then it is managed according to waste management procedures and government regulations. Identification is set forth in the Identification

and Control of Plantation and Palm Oil Unit Waste Documents for the 2022 period. Sources of waste and pollution have been identified from plantations and factories. For example:

1. Transport Workshop produces used lubricants and rags contaminated with B3,
2. Palm oil mill operations produce liquid waste, shells and fiber as well as used caustic soda sacks,
3. POM Poison/Chemical Warehouse, produces, among other things, used chemical packaging waste and used chemical drums,
4. Loading ramp, produces empty shelves remaining for quality inspection,
5. The engine room produces emissions from the generator,
6. Sterilization stations produce scattered solid waste and loose fruit.

**7.3.2**

In the previous ASA-1.1 audit, this indicator had become a non-conformity, and efforts were made to improve it by the Company on August 24, 2023, and it was declared fulfilled, however based on the results of a field visit during the ASA 1.2 audit, at the Office and Employee Housing Complex Division I & IV, it was found that the condition of handling liquid waste from the former rinse room in the rinse house of the Division I & IV office was accommodated in a septic tank, with no lid and full condition and the walls of the septic tank were cracked and damaged, so that the collected rinse room waste overflowed out (exposed to the ground directly) and flows into the ditch, and the position of the washroom waste container is adjacent to the water source well, based on this the company has not been able to show sufficient evidence that the management/disposal and handling of washroom waste in the field is in accordance with the established procedures, and there is a repetition of discrepancies in this indicator, so it becomes Minor Raise To Major 2023.02.

**7.3.3**

The company has carried out detailed hazardous material and domestic waste management efforts in 7.3.2, based on the results of field visits at the Office and Housing Complexes of Division I & IV employees, and II found the following conditions:

- In Division II, behind the Division office there is a buildup of rubbish and traces of rubbish burning.
- In Division II employee housing, piles of organic and inorganic waste were found and there were traces of burning at 4 points.
- In Division I&IV employee housing and the surrounding environment, piles of organic and inorganic waste and traces of burning were found.

The company has not been able to show sufficient evidence that the company does not use open burning for waste disposal in accordance with the established procedures, this becomes **Non-compliance 2023.03**.

	<b>Status: Non Conformity</b>	
--	-------------------------------	--

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

**7.4.1**

The company has procedures aimed at managing soil fertility, which are listed in the following documents:

- Oil Palm Cultivation Procedure No. SOC/PSM/7.10, Revision 02, effective April 1, 2015.
- Marginal Land Management Procedure in Oil Palm Plantation No. SOC/PSM/7.10-14, Revision 02 effective April 1, 2015
- Soil Analysis Procedure No. SOC/PSM/7.10-15, Revision 03 effective 1 November 2018.
- Leaf Analysis Procedure No. SOC/PSM/7.10-16, Revision 01 effective April 1, 2015.
- Fertilization Work Instruction No. SOC-KB/IK/01, Revision 04 effective date October 1, 2016
- Mechanical Fertilization Work Instruction No. SOC-KKS/IK/20, Revision 00 effective date 10 July 2014
- Employment Instructions for Employment Application No. SOC-KKS/IK/12, Revision 04, effective April 1, 2015
- Solid Application Work Instruction No. SOC-KKS/IK/15, Revision 02, effective April 1, 2015
- The company shows the Fertilization Work Instruction No. SOC-KB/IK/01, Edition 01, Revision 02, January 25, 2016.

The company has demonstrated one of the implementations of the above procedures through the results of leaf analysis as a basis for preparing fertilization recommendations. The results of the analysis of the leaf samples are the analysis of Gambus Estate soil leaf samples with reference number 2022-1210/LAB-SSPL/V/2022 dated 9 May 2022 with a total sample of 38. The test parameters are N N, P, K, Ca, Mg, Cl and B.

**7.4.2**

The company has shown documents on the results of soil sample analysis and leaf sample analysis as the basis for preparing fertilizer recommendations for Tanah Gambus Estate in 2023. Soil samples are taken every 10-12 years (Soil Analysis Procedure No. SOC/PSM/7.10 -15 Rev 03 dated 1 November 2018) and leaf sample analysis is carried out every year (Leaf Analysis Procedure No. SOC/PSM/7.10-16 Rev 01 dated 1 April 2015). The results of the analysis of soil samples and leaf samples are:

- The company showed the Soil Analysis Report document from Bangun Bandar Analytical Laboratory on April 16, 2015, the samples tested were 43 samples, the samples were submitted on April 16, 2015. The results of the soil analysis explained about pH-H<sub>2</sub>O, pH-KCl, Sand, Silt, Clay, N- Kj, C-Org, P-Bray, P-Olsen, CEC, K, Ca, Mg and Na.
- The company has also shown documents on the results of the analysis of Gambus Estate soil leaf samples with reference number 2022-1210/LAB-SSPL/V/2022 dated 9 May 2022 with a total sample of 38. The test parameters are N N, P, K, Ca, Mg, Cl and B.

**7.4.3**

In the procedure, the mechanism for the nutrient recycling strategy has been set in SOP number: SOC-KKS/IK/12, edition 01, revision 04, which has been in effect since April 1, 2015, in article B.14, it is stated that the dose of EFB mulch is:

- 20 tons per hectare or equivalent to +/- 140 kg per oil palm tree for immature oil palm, and
- 40 tons per hectare or equivalent to 315 – 320 kg per oil palm tree

The company has shown documents regarding plans and realization of EFB utilization in Tanah Gambus Estate for the period August 2023 amounting to 52,511.26 tons.

**7.4.4**

The company has shown documents of planning and realization of fertilization on Gambus estate land for the period 2022 and 2023. Based on these documents there are 9 types of fertilizers used by Tanah Gambus Estate, including Urea, Rock Phosphate, Kieserit, Botare, NPK 12-12-17- 2+2 TE, and NPK 15-15-6-4. Based on this document, it is known that the realization of fertilization for 2022 has reached 100% of the program. For the 2023 period (to date July 2023) it is known that the achievement of fertilization realization is 66.71% (3,478.05 tons).

**Status: Comply**

**7.5**

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

**7.5.1**

The certification unit shows a Map of Soil Types for Tanah Gambus Plantation with a Scale of 1:25,000, the map identifies that there is no Marginal Soil in Tanah Gambus Plantation. The types of land contained in the company are as follows:

- Typic estrudepts,
- Typic Distrudepts,
- Typic endoaquepts, and
- Rhodic Paleudults.

The company shows the Tanah Gambus Slope Map with a Scale of 1:25000, the map explains the slope of the land in the company's location, including: (0%-4%, 4%-12%, 12%-24%).

The company has shown semi-detailed land survey documents for land suitability studies for rubber to oil palm conversion in Limapuluh Estate, Batubara Regency (February 2015). Based on these documents it is known that there is no peat soil in PT Socfindo. The report also contains information regarding the slope level at PT Socfindo. Based on this document, it



is known that the area in Estate Limapuluh (Part of Tanah Gambus Estate) is dominated by areas with a slope of 0-15% (flat-wavy) with an area percentage of 93.14% and a slope of 15 - 40% with an area percentage of 6. 86%.

**7.5.2 and 7.5.3**

The company has shown semi-detailed land survey documents for land suitability studies for rubber to oil palm conversion in Limapuluh Estate, Batubara Regency (February 2015). Based on these documents it is known that there is no peat soil in PT Socfindo. The report also contains information regarding the slope level at PT Socfindo. Based on this document, it is known that the area in Estate Limapuluh (Part of Tanah Gambus Estate) is dominated by areas with a slope of 0-15% (flat-wavy) with an area percentage of 93.14% and a slope of 15 - 40% with an area percentage of 6. 86%.

The company shows a Map of Soil Types for Tanah Gambus Plantation with a Scale of 1:25,000, the map identifies that there is no Marginal Soil in Tanah Gambus Plantation. The types of land contained in the company are as follows:

- Typic estrudepts,
- Typic Distrudepts,
- Typic endoaquepts, and
- Rhodic Paleudults

Based on the semi-detailed soil survey, it is known that the land suitability class for the conversion of rubber plants to oil palm is very suitable (S10 and moderately suitable (S2).

Based on the document above, it is known that there is no marginal land or areas with steep slopes at PT Socfindo-Tanah Gambus Estate.

**Status: Comply**

**7.6**

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

**7.6.1 7.6.2**

The company has shown semi-detailed land survey documents for land suitability studies for rubber to oil palm conversion in Limapuluh Estate, Batubara Regency (February 2015). Based on these documents it is known that there is no peat soil in PT Socfindo. The report also contains information regarding the slope level at PT Socfindo. Based on this document, it is known that the area in Estate Limapuluh (Part of Tanah Gambus Estate) is dominated by areas with a slope of 0-15% (flat-wavy) with an area percentage of 93.14% and a slope of 15 - 40% with an area percentage of 6. 86%.

The company shows a Map of Soil Types for Tanah Gambus Plantation with a Scale of 1:25,000, the map identifies that there is no Marginal Soil in Tanah Gambus Plantation. The types of land contained in the company are as follows:

- Typic estrudepts,
- Typic Distrudepts,
- Typic endoaquepts, and
- Rhodic Paleudults.

Based on the semi-detailed soil survey, it is known that the land suitability class for the conversion of rubber plants to oil palm is very suitable (S10 and moderately suitable (S2).

Based on the document above, it is known that there is no marginal land or areas with steep slopes at PT Socfindo-Tanah Gambus Estate.

**7.6.3**

The company has planted oil palm which is the result of conversion from rubber plantations. In this regard, a semi-detailed land survey has been shown (as explained in indicator 7.6.2). Based on the semi-detailed soil survey, it is known that the land suitability class for the conversion of rubber plants to oil palm is very suitable (S10 and moderately suitable (S2). The results of the land survey are also the basis for constructing drainage channels and building roads.



Based on the results of a field visit to the rubber plant conversion area, block 117, division V, it is known that there are quite good drainage channels and roads.

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 until 7.7.7**

Based on the document review, it is known that there is no peatland in the company's area.

The company shows a Map of Tanah Gambus Plantation Soil Types with a Scale of 1:25,000, the map identifies that there is no Marginal Soil in Tanah Gambus Plantation. The types of land contained in the company are as follows: District Gleisol, Gleik Kambisol, District Nitosol, District Podsolik, and Gleik Podsolik.

Status: Comply

**7.8**

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

**7.8.1**

The company shows a water management plan, in the 2022 HCV area management documents, such as:

- Identification of water sources managed by the company for public consumption.
- Do not apply chemical sprays or fertilizers in the area around water sources
- Installation of water source protection signboards
- Analyze the quality of water sources

The water management plan is also contained in the RKL-RPL document in the environmental management and monitoring plan matrix, with activities in the form of impact management that result in changes in water quality, with an implementation period every 6 months.

Based on the results of interviews with management representatives and cottage residents in divisions II and IV, it is known that the company does not use river water for processing purposes at the POM and providing clean water for employees, the water source used comes from drilled wells.

Based on the results of a field visit to the Block 063 river border, it was discovered that the river border had been given boundary markings in the form of yellow stakes and boards prohibiting logging activities, mining without permits and treatment using chemicals, and rehabilitation efforts had been made by planting trees.

**7.8.2**

The company shows documents that the company has procedures for the Management of River Rim Conservation Areas No. document SOC/PSM/9.07 edition 01 revision 06 effective date 1 January 2021 and Final Report on Verification and delineation of the HCV area of PT Socfin Indonesia Kebun Tanah Gambus, June 2021.

In the HCV document, the determination of the width of the river border as 5 meters is adjusted to the average width of the river, which is 3 meters wide, in the form of a tributary.

The company also shows evidence of water flow management with evidence including:

- Monitoring of River Borders, period January – August 2023, with monitoring objects including: livestock disturbance, disturbance of animal feed grass takers, occupation, river bank erosion, river abrasion, sing board conditions and HCV boundary conditions.
- Monitoring of forest plants in HCV areas, in 2022, in the form of activities to monitor the condition of plants in the semap and river areas, which include types of kapok, waru, rubber, turi, teak, mahono, durian, mango, sengon, and carrying out inset planting on:
  - a. 2022: Block 046, in November 5 seedlings of Teak species were planted, in April in block 069 Division III, 5 teak seedlings were planted, in block 025 10 teak seedlings were planted.

- b. 2023: May, in Block 057 Division III Acacia types as many as 60 seeds, block 058 Division III as many as 24 seedlings.

**7.8.3**

The company shows the Batubara Regent's Decree Number: 660/5631/IPLC/2021, regarding the Permit for Disposing of Palm Oil Industry Wastewater, PT SOCFINDO Perkebunan Tanah Gambus, December 31, 2021, valid for 5 years, location at coordinates N 03° 12'14" , E 099° 24'34" towards the Bah Bolon River through swamps for approximately 7 (seven) KM. The requirements in the permit are for the parameters BOD max 100 mg/l, COD 350 mg/l, oils and fats 25 mg/l.

Quality monitoring of liquid waste is carried out every month by the Environmental Testing Laboratory, KAN LP-389-IDN (PT Sucifindo Medan Branch) with reference to the quality standards of Minister of Environment Regulation No. 5 of 2014, attachment III, with examples of test results as follows: Report No. 03148/CLACAQ, April 14, 2023, location of Tanah Gambus plantation PKS outlet, with yields: N-Total 19.5 mg/L (standard quality 50 mg/L), T2S 187 mg/L (standard quality 250 mg/L) , fatty oil 7 mg/L (quality standard 25 mg/L), COD 208.46 mg/L (quality standard 350 mg/L), BOD 97.4 mg/L (100 mg/L).

Based on the test results above, there are no parameters with test results that exceed the quality standards stipulated in the Regulation of the Minister of Environment No. 5 of 2014, Appendix III.

**7.8.4**

The company shows documents permitting the use of water for production activities, namely:

- a. Decree of the Governor of Sumatera Utara Province, Number 546/932, concerning Extension of Groundwater Business Permits, dated 28 October 2021, Drilling Well III, maximum discharge 5 liters/second, well registration 12.02.59, for POM and Office Toilet needs, valid for 3 years since issue N 03° 12'17,87", E 99° 24'23,90"
- b. Decree of the Governor of Sumatera Utara Province, Number 546/933, concerning Extension of Groundwater Business Permits, dated 28 October 2021, Drilling Well II, maximum discharge 5 liters/second, well registration 12.02.60, for POM and Office Toilet needs, valid for 3 years since published N 03° 12'10.01", E 99° 24'18,32"
- c. Decree of the Governor of Sumatera Utara Province, Number 546/934, concerning Extension of Groundwater Business Permits, dated 28 October 2021, Drilling Well IV, maximum discharge 5 liters/second, well registration 12.02.58, for POM and Office Toilet needs, valid for 3 years since publication, N 03° 11'34", E 99° 24'19,91"

The company shows a recapitulation of water usage as follows:

- a. Period January – December 2022: FFB processed 85,430 to, water usage for processing 85,406 m<sup>3</sup>, with an average ratio of 1 m<sup>3</sup>/ton FFB, for domestic 72,064 m<sup>3</sup>, budget 1.3 m<sup>3</sup>/tFFB
- b. Period January – July 2023: FFB processed 52,511, water usage for processing 40,896 m<sup>3</sup>, average ratio 0.78 m<sup>3</sup>/ton FFB, for domestic 65,580 m<sup>3</sup>, budget 1.3 m<sup>3</sup>/tFFB

The company shows Proof of Payment of water retribution, with example: Local Tax Assessment Letter No. Kohir 411089948/SKPD/BAPENDA/2023, tax period 01 – 30 June 2023, dated 07 July 2023, groundwater tax for Drilling Well III. Attached is Proof of Payment in the form of a Deposit Receipt Proof of Payment of Cash Receipt, dated July 10 2023, via Bank SUMUT.

**Status: comply**

**7.9**

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

**7.9.1**

The company shows the utilization of solid waste to support its operational activities, with the following details:

Period in 2022 :

- 1. Processed FFB: 85,429,270 kg
- 2. Shell Production: 4,713,166 kg, utilization 4,278,876 kg, excess 434,291 kg
- 3. Fiber Production: 10,678,749 kg, utilization 10,678,749 kg

Period in 2023 :

- 1. Processed FFB: 52,511,260 kg

2. Shell Production: 2,824,159 kg, utilization 2,771,169 kg, excess 52,990 kg
3. Fiber Production: 6,563,908 kg, utilization 6,563,908 kg

Based on the usage period from January to July 2023, the energy used from the utilization of shells and fiber is 26,075,468,546 Kcal, with energy per ton of CPO of 2,560 Kcal/ton FFB.

**Status: Comply**

**7.10**

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

**7.10.1**

The company has shown GHG calculations for the 2022 period using the RSPO palm GHG calculator 4.

**Summary Emission**

Emmision per product	tCO2e/tProduct
CPO	0.98
PK	0.98

Production	t/yr
FFB processed	85,430
CPO produced	19.899
PK produced	2,205

Extraction	%
OER	23.29
KER	3.12

Land use	Ha
Planted area	4.480,50
Planted on peat	0
Conservation Area	65,7*

The total HCV is 65.7 Ha, consisting of 58.16 Ha in non-planted and 9.52 Ha in planted

**Summary Oil Mill Emissions and Credits**

Remarks	tCO2e	tCO2e/t FFB
<b>Emissions sources</b>		
POME	10594.81	0.12
Fuel consumption	65.07	0.00
Grid electricity	106.36	0.00
<b>Credit</b>		
Export of Excess Electricity to housing & grid	0.00	0.00
Sales of PKS	-964.81	-0.01
Sales of EFB	0.00	0.00
<b>Total</b>	<b>9.801.44</b>	<b>0.12</b>

**Summary of field emission and Sinks**

Description	Own crop		
	tCO2e	tCO2e/ha	tCO2e/tFFB
<b>Emissions Sources</b>			
Land conversion	4.4549.54	9.94	0.52
CO2 emmissions from fertilizer	4.817.27	1.08	0.06
N2O emissions from Peat	0.00	0.00	0.00
NO2 emissions from fertilizer	4.284.71	0.96	0.05
Fuel Consumption	608,57	0.14	0.01
Peat Oxidation	0.00	0.00	0.00
<b>Sinks</b>			
Crop Sequestration	-	-9.36	-0.49
Sequestration in Conservation Area	41945.24	0.00	0.00
Total	12314.85	2.75	0.14

**Palm Oil Mill Effluent (POME) Treatment**

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

**POME Divert to Anaerobic Digestion**

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

**7.10.2**

The certification unit shows the document SOC/DP/4.09-01 dated January 1 2015 concerning Monitoring and Measurement of LK3 (environment, occupational health and safety).

Guidelines for handling interference from mobile and immovable sources and handling air waste, with sources of interference:

- Boiler (noise, smoke, dust)
- Genset (noise, smoke)
- Drier (noise, smoke)
- Working tools (chainshaw, trunk injection, etc.) (noise & vibration)
- Waste ponds (odor & water pollution)
- Vehicle (smoke)
- Waste ponds (odor & water pollution)

The company has carried out a greenhouse gas assessment for new planting activities in Tanah Gambus Estate, which was carried out by Aksenta in 2016. From the results of the study carried out, it was concluded that the carbon reserves in the Tanah Gambus Estate (formerly Kebun Limapuluh) consist of biomass carbon reserves with a value of 62.3 kilo tonsC and a soil C-organic carbon reserve of 60.2 kilo tonsC. The potential for carbon stock emissions in the process of clearing land for new planting comes from biomass throughout the study area (there are no HCV areas).

Recommendations resulting from the Greenhouse Gas Study such as:

- Carry out optimal planting and maintenance of plants
- Carrying out land clearing and planting simultaneously
- Conduct monitoring and efforts to minimize carbon emissions and other GHGs such as methane capture and zero burning

The company makes efforts to deal with disturbances, including:

- Monitoring daily inspections of factory machines and installations, period August 2023, at sterilizer stations, strippers, empty bunch hoppers, clarification stations
- Conduct wastewater quality test, with test results detailed in 7.8.3
- Conduct River and Well water quality tests, test results detailed in 7.8.1
- Using fossil fuels by utilizing solid waste (shells and fibers) detailed in 7.9.1
- Conduct air Emission and Ambient Air quality tests, test results detailed in 7.10.3

**7.10.3**

The company has a Greenhouse Gas Emission Reduction Guidelines document No. document SOC/DP/4.1.1-08 revision 00 dated 16 September 2013. Explained in the document:

A. Sources of emissions in plantation and factory management, such as:

1. Plantations: Land clearing, fertilizers, fossil fuels
2. Palm Oil Factory: waste and fossil fuel ponds

B. Efforts to reduce GHG Emissions:

1. Use fertilizer at the right dose according to soil and leaf analysis, timely application and implementation of fertilization according to work instructions
2. Use organic fertilizer in the form of empty leaf applications
3. Utilization of solid waste in the form of shells and fiber as boiler fuel
4. Electricity production itself from a steam-driven turbine resulting from a boiler process with fiber and shell fuel

The company shows the Waste Identification document for Estate and POM for the 2022 period, including: emissions, noise, chemical waste, organic and inorganic waste, as well as infectious waste and liquid waste.

A. Ambient Air, carried out by an environmental testing laboratory, accredited by KAN LP-289-IDN, on July 4 2023, 10 parameters were tested, with reference to quality standards: Republic of Indonesia Government Regulation No. 22 of 2021 Appendix VII, with location: Front of the POM Office, POM Employee Housing, Outside POM Area

B. Air Emissions:

1. Carried out by an environmental testing laboratory, accredited by KAN LP-389-IDN, dated 4 July 2023, 8 parameters were tested, with reference to quality standards: Minister of Environment Regulation No. 07 of 2022 Appendix I, tested on Boiler II, with the results that there are no test result parameters that exceed the quality standards
2. Carried out by an environmental testing laboratory, accredited by KAN LP-389-IDN, on 5 August 2022, 8 parameters were tested, with reference to quality standards: Minister of the Environment Regulation No. 07 of 2022 Appendix I, tested on Boiler I, with the results that there are no test result parameters that exceed the quality standards

C. Vibration: Carried out by an environmental testing laboratory, accredited by KAN LP-389-IDN, on August 5 2022, with reference to quality standards: Minister of Manpower Regulation No. 05 of 2018, at locations: engine room, POM area, grinding machine and truck injection machine. With the results there were no vibration test results that exceeded the quality standards.

D. Odor: Carried out by the KAN LP-389-IDN accredited testing laboratory, on August 5 2022, tests were carried out on 5 parameters, with reference to the quality standards of the Decree of the Minister of the Environment, No.50/MENLH/11/1/1996, with the results that there are no test result parameters that exceed the quality standards

**Status: Comply**

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

The company has a Non-Deforestation, Peat Development and Environment Policy which was adopted in June 2019 and reviewed again in April 2021. The policy explains that “No burning practices in new plantings, rejuvenation and other developments”.

Based on the results of a field visit to the replanting area (conversion of rubber to oil palm) in blocks 94 and 117 Division V, it is known that there are no traces of the use of fire in land clearing activities. Land clearing is carried out mechanically using an excavator. The same thing was also conveyed by the company's management that for land clearing activities in the context of replanting activities it is carried out mechanically.

**7.11.2**

The company has shown Emergency Preparedness and Response Procedure Number SOC/PSM/4.08 Revision 05 dated 1 April 2014 which has been approved by the General Manager and Principal Director of PT Socfin Indonesia. In this procedure there are:

- Guidelines regarding the management of monitoring hotspots on plantation land (SOC/DP/4.08-09) which explains:
  - I. Fire spot monitoring facilities (Fire Tower, Drone, and Manual)
  - II. Monitoring team (2 officers in the fire tower, 2 drones, and manual. The number of fire teams in each division is adjusted to the size of the division, where each officer is responsible for monitoring fires and Estate security in each block in the relevant division).
  - III. Hot spot monitoring techniques (Fire Towers, Drones, and Manuals). This section explains that every monitoring result that has been carried out is accurately recorded in the monitoring book
  - IV. Monitoring Frequency. It was explained that the monitoring carried out:
    - Dry season: monitoring via fire towers and drones is carried out twice a week starting on the 14th day without rain, and manual monitoring is carried out every day.
    - Normal Conditions : Monitoring through fire towers and drones is carried out every 2 weeks and manual monitoring is carried out every day.
- Guidelines for Prevention of Land Fires (SOC/DP/4.08-09) which explains :
  - i. Infrastructure (referring to Minister of Agriculture Regulation No. 5 of 2018, water pontoons (if needed), and warning signs prohibiting burning and throwing away cigarette butts in the plantation area).
  - ii. Counseling
  - iii. Prevention efforts include establishing a Estate management policy (prohibition of burning garbage both in settlements and in blocks and prohibition of throwing cigarette butts in the area around the block), counseling, third party collaboration
  - iv. Equipment and prevention of land fires (installing warning signs on the side of the Estate road that is passed by workers/community
  - v. Simulation
  - vi. Monitoring (in accordance with SOC/DP/4.08-09) Berdasarkan hasil kunjungan lapangan ke areal replanting Blok 7 Divisi 2, diketahui bahwa terdapat bekas pembakaran pada cacahan batang kelapa sawit.

The company has shown the Monitoring Report Document and Land Fire Conditions for the first semester of 2023 which was reported to the Regent and the Batubara district agriculture and plantation service on June 9 2023, it is known that no hotspots were found.

The results of fire spot monitoring carried out periodically (monthly) in Division V for the period January – August 2023 revealed that no fire spots/burning spots were found in the field.

Based on the explanation above, it is known that the company has not been able to show sufficient evidence that its fire prevention and control measures on land it manages directly are in accordance with its procedures.

**7.11.3**

The company entered into an agreement with the Tanah Gambus Plantation Village on August 1 2020 regarding fire



control as well as a cooperation agreement for fire management between PT Socfindo-Tanah Gambus and Empat Negeri Village on July 1 2023. This agreement is valid for 5 years from the time the agreement is agreed.

The results of interviews with representatives of the Environmental Service and the Batubara Regency Plantation Service revealed that there had never been a land fire at PT Socfin - Tanah Gambus or its surroundings. From the results of interviews with representatives of the Plantation Service, information was also obtained that the location of the Estate was quite close to the city fire station.

<b>7.11.2</b>	<b>Status: Non Comformity No. 2023.04 with Minor Category</b>	<b>Minor</b>
---------------	---	--------------

**7.12**  
**Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.**

**7.12.1**  
 Similar to the conditions in the previous audit, land clearing/new planting in Tanah Gambus Estate that was carried out after November 2005 did not destroy or replace the primary forest or HCV areas identified by the HCV assessment documents. The new planting is a conversion from monoculture farming (rubber plantation) to oil palm plantation. The company has done the NPP first before carrying out new planting which was carried out in November 2016 and is available on the RSPO website. Based on the RSPO NPP summary of Assessment Report document, it is known that there are no HCV areas in the new development/planting areas with zero liability compensation

**7.12.2**  
 The company identified HCV in 2011 in collaboration with the IPB Forestry Faculty. Based on the HCV identification carried out in 2011, the HCVs in the operational area of Tanah Gambus are HCV 4 and HCV 6.

For new development/planting areas, an HCV Assessment has also been carried out which has also been described in the RSPO NPP summary of Assessment Report 2016. The HCV assessment was carried out by an assessment team that has registered HCV-ALS, with registration no.ALS15037NM and ALS15039IS, and has been approved by the HCVRN scheme in the first re-submission on 26 Sept 2016, and approved on 11 Nov 2016 with the evaluation results of "Satisfactory" from the assessor (<https://hcvnetwork.org/reports/pt-socfin-serdang-bedagai-and-batubara-region-indonesia/>). Based on the results of the assessment, it was concluded that there were no HCV areas and also no RTE species in the new planting/clearing areas.

Referring to 7.12.2 attachment 5 for the Certified Plantation scenario, the following is an explanation for the new development/planting area of Tanah Gambus Estate:

- a. The HCV assessment was carried out by an ALS assessor and approved by the HCVR-ALS scheme as described above.
- b. Based on the NPP report which also contains LUCA information, it is known that rubber plantation land cover has existed since December 7, 1930, with zero liability and compensation results.
- c. The area proposed for new development/planting is monoculture farming (rubber plantation) which has existed since 1930, there are no HCV areas so it is categorized as low risk.

Referring to indicator 7.12.2 of Annex 5 with low risk, it is known that prior identification of HCVs is acceptable and does not require an HCSA assessment using the HCSA approach

In 2021, the company will verify and delineate the previous HCV documents for those carried out by Aksenta. Field activities were carried out in the period April – May 2021, resulting in an HCV area of 65.7 Ha with HCV details, consisting of 58.16 Ha in non-planted areas (including rivers, graves and swamps) and 9.52 ha in planted areas.

**7.12.3**  
 Indicator 7.12.3. until now not relevant to Indonesia, until it is further decision from the RSPO

**7.12.4**  
 The company shows the implementation of HCV area management, with evidence

- A. Evaluation Report on the Implementation of the 2022 Tanah Gambus Estate HCV Program, in the form of information
- Re-measurement of HCV area boundaries: all HCV areas have had their AHCV boundaries re-measured last April 2021
  - Installation of HCV stakes: based on the results of repeated measurements, permanent HCV stakes are installed with a distance of 50 meters between stakes, with the installation of: Division I : 8 Units, Division II : 100 units, Division III : 149 units, Division IV : 47 units
  - Maintenance of HCV stakes: routinely carry out stake maintenance once a month including monitoring: condition of stakes and area around stakes, number of stakes
  - Remove oil palm plantations in HCV areas: there are several HCV area blocks that need to be toppled due to replanting activities after the HCV assessment of the blocks Blocks 51, 58, 63, 41, 57,62,65, 69, and 71, with a total principal amount 918 points, realization of demolition of 106 points
  - Do not apply chemicals in HCV areas
  - Protection of HCV-water quality areas:
    1. The sprayer's understanding of the boundaries of the HCV area,
    2. River water quality analysis in the HCV area
  - Enriching vegetation in HCV areas with woody plants, until December 2022, 4,838 trees have been planted, types of asam gelugur, cempedak, durian guava, teak, rubber, kelor, candlenut, cherry, mahogany, melinjo, petai, randu, sengon, turi, hibiscus, acacia, bea-bera, mango
  - The level of density of woody plants until December 2022 with an HCV area of 43.70 ha is 97 trees/Ha
  - Monitoring of HCV areas, river animals and cemeteries: for rivers the condition of vegetation is still very poor and efforts to carry out sustainable planting are necessary, the results of monitoring feeding in Tanah gambus Estate are quite conducive in blocks 63,9 and 22
- B. Tanah Gambus Estate HCV Area Management Program in 2023:
1. River Border
    - Improve the quality of the living environment for protected animals
    - Maintain the condition of river borders as a place to live and source of food for protected animals
    - Security patrol of HCV areas and socialization of HCV areas
    - Added installation of warning boards
    - Socialization to spray workers about HCV areas and spray prohibitions
    - Care for woody plants in river border areas
  2. Public funeral
    - Clarify the boundaries of the burial area
    - Spraying of weeds in the graves
    - Outreach to stakeholders and workers to maintain the importance of preserving food from livestock raids and disturbances
    - Physical maintenance of the grave.

#### 7.12.5

The same as the conditions in the previous audit. There are no community rights in the HCV area. The results of the HCV document verification show that there are only HCV 4 and HCV 6 in the form of graves at PT Socfin-Tanah Gambus. In addition, based on the HCV document for the new development area, no HCV area was identified. The new development area is a company area that was previously rubber land.

#### 7.12.6

Based on the HCV assessment document carried out in 2011 by the Bogor Agricultural Institute, Faculty of Forestry for existing planting areas (except areas proposed for new land clearing), species were found that were categorized as RTE, namely:

1. *Lutra sumatrana* are categorized as endangered.
2. *Psilopogon rafflesii* is categorized as near threatened.
3. *Turdinus atrigularis* is categorized as near threatened.

As for new development areas, based on the 2016 HCV assessment results, RTE species were not found in the study area.

The company has routinely conducted animal monitoring in the operational area. For example, animal monitoring in November 2022 and February 2023, found Blue King Prawns, Coconut Sunbirds, Buffalo Egrets, monitor lizards and long-tailed macaques, the presence of RTE species was not monitored.

In the results of field visits to the housing divisions II and IV, it was found that there was no maintenance of wild animals by workers.

The company has made educational efforts regarding RTE species, through outreach activities with examples of evidence:

- Socialization of HCV and priority flora and fauna, Division IV, Block 46 location, attended by 61 participants, 10 June 2023.
- Dissemination of HCV procedures, HCV areas and priority flora and fauna, Division III, Block 46 location, attended by 91 participants, 15 June 2023.

Based on the results of field visits in residential areas and river border areas, it is known that there are no hunting activities or setting traps and there is no maintenance of wild animals in residential areas.

#### 7.12.7

The company has routinely conducted animal monitoring in the operational area. For example, the company shows animal monitoring records in November 2022 and February 2023, with the result that the presence of RTE species was not monitored.

In the results of field visits to the housing divisions II and IV, it was found that there was no maintenance of wild animals by workers.

The company area as a whole has mineral soil types and no peat land has been identified in the Company's concession area.

The company has a 2023 Tanah Gambus Plantation HCV Area Management Program, with activities including:

- Improve the quality of the living environment for protected animals
- Maintain the condition of river borders as a place to live and source of food for protected animals
- Security patrol of HCV areas and socialization of HCV areas
- Added installation of warning boards
- Socialization to spray workers about HCV areas and spray prohibitions
- Care for woody plants in river border areas
- Clarify the boundaries of the burial area
- Spraying of weeds in the graves
- physical care of the grave

#### 7.12.8

There were no changes regarding land clearing from the previous audit. Land clearing in 2022 and 2023 is an activity to convert plant species from the company's rubber tree stands to oil palm.

The company has not cleared new land since November 2005 and/or new land opened since 15 November 2018 without an HCV assessment. For new development/planting areas, an HCV Assessment has been carried out by an assessment team that has registered HCV-ALS, with registration no. ALS15037NM and ALS15039IS, and was approved by the HCVRN scheme in its first resubmission on 26 Sep 2016, and approved on 11 Nov 2016 with an evaluation result of "Satisfactory" from the assessor (<https://hcvnetwork.org/reports/pt-socfin-serdang-Bedagai-and-batubara-region-indonesia/>). And based on the results of the assessment, it was concluded that in the new planting/clearing area there were no HCV areas and there were also no RTE species.

Based on the NPP report which also contains LUCA information, it is known that rubber plantation land cover has existed since 7 Dec 1930, with the result of zero liability and compensation.

**Status: Comply**

**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-2.2</b>	Tanah Gambus POM – PT. Socfin Indonesia does not use trademark on it sales document or any of communication and promotion paper.	√
	<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-2.2</b>	Tanah Gambus POM – PT. Socfin Indonesia does not use trademark on it sales document or any of communication and promotion paper.	√
	<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-2.2</b>	Tanah Gambus POM – PT. Socfin Indonesia does not use trademark on it sales document or any of communication and promotion paper.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA-2.2</b>	Tanah Gambus POM – PT. Socfin Indonesia does not use trademark on it sales document or any of communication and promotion paper.	√
	<b>Status: Comply</b>	

**3.3 Summary of RSPO Partial Certification**

Compliance of the uncertified management units of Socfin SA 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.

Socfin SA Time Bound Plan (TBP) is explained in table 1.10. Socfin SA has eight (8) management units with twenty-three (23) mills. Socfin SA has informed the TBP progress, MUTU has considered that Socfin SA is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Socfin SA on 23 May 2023.

MUTU has verified partial certification for un-certified unit's subsidiary of Socfin SA based on their Time Bound Plan. There are three (3) uncertified mills and eleven (11) uncertified estates of Socfin SA. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from other sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are two significant land conflicts which have not been declared above.
- The Final LUCA reports have not been sent to RSPO because waiting for meeting and LUCA training with RSPO.
- There are two labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	The Company has been conducted internal assessment for uncertified units on July until October 2021 and has a positive assurance statement to certified.
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p>Based on internal audit of uncertified unit in 2023, most of uncertified unit still have RaCP in progress, with explanation below:</p> <ul style="list-style-type: none"> <li>• <b>Okomu Oil Palm Company Extension 1 Estate</b> → Will be audited as a scope extension during the following surveillance audit of Okomu Oil Palm Company Main Estate and Extension 1. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Currently undergoing the RaCP process for this area. Annex 8 review by RSPO has been done. It will now undergo the last external review. When the Annex 8 is approved, the mill and estate will be certified.</li> <li>• <b>Okomu Oil Palm Company Extension 2 POM and Okomu Oil Palm Company Extension 2 Estate</b> → The mill and estate were audited in September 2023. Only 1 NC remains, that of the RaCP. Annex 8 review by RSPO has been done. It will now undergo the last external review. When the Annex 8 is approved, the mill and estate will be certified.</li> <li>• <b>Safacam Provisional Concession</b> → Will be audited as a scope extension during the following surveillance audit of Safacam in Q3 2023.</li> <li>• <b>Titulo 410 Estate</b> → Will be audited as a scope</li> </ul>

		<p>extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. RaCP Annex 8 approved on 23/05/2023 allowing this to go ahead.</p> <ul style="list-style-type: none"> <li>• <b>Lumbundji and Savannah Estates</b> → Will be audited as a scope extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Annex 8 review for this area by RSPO has been done. It is currently undergoing external review.</li> <li>• <b>PSG Subri Estate</b> → Will be audited as a scope extension in Q3 2023. The audits have been pushed to this date to allow the estate to complete the RaCP process first, which is a timely exercise. Currently undergoing the RaCP process for this area. The Annex 7 has been submitted.</li> </ul>
<p>2.1.3</p>	<p>Any new plantings since January 1<sup>st</sup>, 2010, must comply with the RSPO New Plantings Procedure.</p>	<p><b>Okumu Extension 1 Estate and 2 Estate.</b> Since NPP was not followed for the land clearance since May 9, 2014, remediation and compensation procedures will need to be followed for those areas with a coefficient higher than 0. This will be done after the final LUCA report has been submitted to the RSPO.</p> <p><b>Agripalma.</b> Since NPP was not followed for the land clearance between Jan 1, 2010, and May 9, 2014, remediation and compensation procedures will need to be followed for those areas with a coefficient higher than 0 (estimated 455 ha). This will be done after the final LUCA report has been submitted to the RSPO.</p> <p><b>Brabanta.</b> Since NPP was not followed for the land clearance between Dec 1, 2007 – May 9, 2014, remediation and compensation procedures will need to be followed for those areas with a coefficient higher than 0 (estimated at 156 ha). This will be done after the final LUCA report has been submitted to the RSPO. LUCA report not yet completed.</p> <p><b>PSG.</b> Since NPP was not followed for the land clearance between Jan 1, 2010 – Current, remediation and compensation procedures will need to be followed for those areas with a coefficient higher than 0 (estimated at 1,140 ha). This will be done after the final LUCA report has been submitted to the RSPO.</p> <p><b>Safacam</b> Since NPP was not followed for the land clearance</p>



		between Dec 1, 2007 – Dec 31, 2009, remediation and compensation procedures will need to be followed for those areas with a coefficient higher than 0 (estimated at 613 ha). This will be done after the final LUCA report has been submitted to the RSPO.
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p><b>Okumo Extension 1 Estate.</b> There is an ongoing dispute regarding land conflict on Extension 1, which is meant for rubber cultivation. The land was acquired rightfully from its previous tenants for the remainder of the lease, however, upon acquisition, it was identified that 5 different communities had encroached the land. 4/5 communities accepted a compensation, however, one, Hassan Camp, did not.</p> <p>Attempts for negotiations were made, however, Hassan Camp wanted to take the case to court. At this moment it is under sub justice.</p> <p>Once the court has spoken, new attempts can be made to resolve the issue following an acceptable conflict resolution process.</p> <p>For other plantations, there are no Land conflict.</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Okumo Extension 1 and 2 Estate.</b> OOPC operations at Extension 1 in Okomu and Extension 2 in the Owan Forest Reserves necessitated both physical and economic displacement. Whiles the Extension 2 only affected economic displacement and the farmers are generally content with the crop compensation process undertaken, there has been an ongoing and protracted issue with some communities affected at Extension 1 on area meant for rubber plantings. Compensation was not required under Nigerian law because the communities were considered illegal settlers on the private property of OOPC. There is evidence (time stamped satellite images) that they settled in the area after the acquisition by Okomu. Whiles four (Fatai, Olowu, Sunday and Olomu Camps) out of the 5 communities that were within the boundaries of the Extension 1 have moved out of the concession after three years of consultations, and after compensations have been paid to the farmers, the people of Hassan Camp which is the largest of the five communities have refused compensations from OOPC because they claim that part of the land belongs to them and therefore will not move out of the land. They have subsequently taken the case to court with the claim that they own the land (Latest court case update: OKOMU_Updates on Court Cases Extension 1). Thus, the whole issue is now sub justice until the court has made its decision.</p> <p>OOPC has a Community Liaison Team, who is the main line of communication of the company with the local</p>

		<p>communities. The team visits villages within a radius of 10 km around the concession, to disseminate information and to engage in dialogue in order attend to any issues that may arise between the Company and local communities.</p> <p>There are currently no labour disputes for other plantations.</p>
2.1.6	<p>Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&amp;C criterion 2.1 (it has changed be Criterion 4.2 in P&amp;C 2018).</p>	<p>All plantations are complying to most national laws and regulations and has a system in place to follow all current laws and regulations.</p>

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

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

NCR No.	: 2022.01	Issued by	: Rindu Galih Rezza R.
Date Issued	: 26 August 2022	Time Limit	: Next Surveillance
NC Grade	: Minor	Date of Closing	: 24 Agustus 2023
Standard Ref. & Requirement	6.7.5 Work accidents are recorded using Lost Time Accident (LTA)		
<p><b>Evidence observed</b> (filled by auditor):</p> <ul style="list-style-type: none"> <li>Based on the results of the LTA calculation for the period January – July 2022, there were four (4) workplace accidents (2 accidents at the estate and 2 at the mill) and one of these accidents was a serious accident that caused permanent disability (missing 1 index finger). However, in the calculation of the LTA there are several things to note, including: <ul style="list-style-type: none"> <li>In January, February, March, and July 2022 there were no work accidents in the plantation unit, but there were lost working hours in those 4 months.</li> <li>In April and July 2022 there were no work accidents at the mill unit, but there were lost working hours in those 2 months.</li> <li>The company uses lost working hours in its LTA calculation and for work accidents that cause disability, the loss of working hours is only 68 hours.</li> </ul> </li> <li>Calculations related to LTA (calculation of Severity Rate and Frequency Rate) have been regulated in the Decree of the Director General of Industrial Relations and Manpower Supervision of the Indonesian Ministry of Manpower No. KEP.84/BW/1998 on How to Fill in the Accident Statistics Report and Analysis Form. Where in it has been regulated regarding the calculation of the Severity Rate, Frequency Rate and provisions regarding loss of working days/loss of working days which are regulated for accidents that cause defects for the tip of the index finger is 100 days. The LTA calculation used by the company does not refer to the regulation, starting from the use of lost working days (not working hours) to the determination of lost working days for serious work accidents (disability, loss of organ function, etc.) as well as those that cause death (fatality)</li> </ul>			
<p><b>Non-Conformance Description</b> (filled by auditor):</p> <p>The company has not been able to show evidence that the implementation of the Lost Time Accident (LTA) calculation is in accordance with the Decree of the Director General of Industrial Relations and Labor Supervision of the Indonesian Ministry of Manpower No. KEP.84/BW/1998 on How to Fill in the Accident Statistics Report and Analysis Form</p>			
<p><b>Root Cause Analysis</b> (filled by organization audited):</p> <p>There are no LTA calculation guidelines that are used as a reference for PT. Socfindo to calculate FR SR  Note: Decree of the Director General of Industrial Relations Development and Labor Inspection, Ministry of Manpower of the Republic of Indonesia No. KEP.84/BW/1998 concerning How to Complete the Accident Statistical Analysis and Report Form is not applicable to the scope of the Company. The purpose of this regulation is as a guide to labor inspectors, heads of offices, the Department of Manpower and Heads of Regional Offices of the Department of Manpower</p>			
<p><b>Correction</b> (filled by organization audited):</p> <p>Develop guidelines for FR SR calculations  Revise the FR SR 2022 according to the FR SR calculation guidelines</p>			
<p><b>Corrective Action</b> (filled by organization audited):</p> <p><b>Provide understanding to all those responsible regarding FRSR</b></p>			

**Assessor Evaluation and Conclusion** (filled by auditor):**Verification, 24 August 2023:****Observed evidence:**

The company has presented a guideline document for calculating Frequency Rate and Severity Rate with document number SOC/DP/4.09-02 which is valid from January 1 2023. This document regulates the procedures and formulas for calculating FR and SR

The company has also shown the 2022 LTA document which refers to the updated FR and SR calculation guidelines. The LTA for 2022 is as follows:

- Estate :  
Work accident: 4 days  
Number of days lost from work: 68 days  
FR : 2.39  
SR : 40.64
- POM :  
Work accident: 2 days  
Number of days lost from work: 68 days  
FR : 2.39  
SR : 40.64

Socialization of Guidelines for calculating Frequency Rate and Severity Rate to officers responsible for LTA calculations which was carried out on January 5 2023 and was attended by 25 participants.

Based on the results of root cause analysis, corrections and corrective actions as well as evidence that has been shown by the company, the nonconformity is declared fulfilled. Regarding the consistency of the preventive measures shown by the company, it will be re-observed in the next assessment.

<b>Verified by</b>	<b>:</b>	<b>Johannes Pandiangan</b>
--------------------	----------	----------------------------

<b>NCR No.</b>	<b>: 2022.02</b>	<b>Issued by</b>	<b>: Briyogi Shadiwa</b>
<b>Date Issued</b>	<b>: 26 August 2022</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 24 Agustus 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.3.2</b> <b>There is evidence of waste disposal according to procedures that are fully understood by workers and managers</b>		
<b>Evidence observed</b> <i>(dilengkapi oleh auditor):</i>  1. During the field visit at the time the audit was conducted, toxic hazardous waste was still found in places that did not have a toxic hazardous waste storage permit, for example: <ul style="list-style-type: none"> <li>• There is a pile of inner fertilizers in the Division 3 Central Fertilizer Warehouse.</li> <li>• There are 2 used drums in the civil workshop.</li> <li>• There are several sacks of fertilizer and inner in the river border area of block 065.</li> </ul> 2. The company has a procedure for the Guidelines for Handling Chemical Packaging Waste (Dok No.: SOC/DP/4.11-05, No. Rev: 08, effective August 1, 2020), which informs the types of toxic hazardous waste packaging waste generated within PT SOCFINDO, among others : waste bottles, sachets, jerry cans, burlap fertilizer, buckets, drums and other chemical packaging. The procedure also explains that: <ul style="list-style-type: none"> <li>• Delivery of Packaging Waste Hazardous Materials &amp; Waste Toxic hazardous materials located in the producing area, such as: afdeling, chemical warehouse, water treatment, are not allowed to be stored in that area. Packaged waste Toxic hazardous materials must be handed over to the Toxic Hazardous Waste Warehouse each time a Toxic hazardous material waste is generated in the area.</li> <li>• Ex-chemical packaging waste from the afdeling sent to the Waste Toxic Materials warehouse must be accompanied by a record of the submission of the Toxic Hazardous Waste which is initialed by the officer who submits (afdeling) and the officer who receives the Toxic Hazardous Waste (Waste of Toxic Hazardous Materials Warehouse)</li> </ul>			
<b>Non-Conformance Description</b> <i>(dilengkapi oleh auditor):</i>  The company has not been able to show sufficient evidence that the management/disposal of toxic hazardous waste in the field has been in accordance with the established procedures			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> a. Fertilizer foremen, mobile clerks and opas are officers who have just been transferred from their previous jobs and were not given an initial understanding of how to internally manage fertilizer as Hazardous waste according to procedures. b. Guidelines for Handling Chemical Packaging Waste (SOC/DP/4.11-05) do not cover used oil drums.			
<b>Correction</b> <i>(filled by organization audited):</i> a. Send the B3 waste below to a licensed Hazardous Waste TPS, including: <ul style="list-style-type: none"> <li>• Inner fertilizer comes from the Central Fertilizer Warehouse Division 3,</li> <li>• 2 used drums in civil workshop</li> <li>• Fertilizer sacks and their inner parts from the river border area of Block 065</li> </ul> b. Record the waste sent into the Hazardous Waste record using a predetermined form (SOC/Form/4.11-02)			
<b>Corrective Action</b> <i>(filled by organization audited):</i> a. Providing training to fertilizer foremen, mobile cranes, opas and all officers involved (fertilizers, sprayers, etc.), especially those who have just been transferred regarding Hazardous Waste management and how to implement it in the field b. Complete monitoring points for potential packaging waste spills in the field (SOC/Form/4.12-01-14)			

- c. Provide understanding to officers carrying out EHS patrols for each monitoring point contained in the SOC/Form/4.12-01 checklist
- d. Revise the Guidelines for Handling Chemical Packaging Waste (SOC/DP/4.11-05) by adding handling of used oil drums.
- e. e. Provide understanding regarding the revision of the Guidelines for Handling Chemical Packaging Waste (SOC/DP/4.11-05) to all related officers, such as: Workshop officers, chemical warehouses, water treatment, etc.

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

**Auditor verification dated August 24, 2023:**

The company shows proof of improvement as follows:

1. Socialization on the management and handling of HAZARDOUS waste, on August 24 2022, with material on procedures for controlling HAZARDOUS waste and handling HAZARDOUS waste, attended by 5 people (division III assistant, foreman, warehouse officer)
2. Transfer of fertilizer sacks to the HAZARDOUS Waste TPS on August 25 2023
3. HAZARDOUS Waste Handling Guidelines Training, August 27 2022, attended by 15 people,
4. Socialization on handling HAZARDOUS waste on 27 August 2022, regarding types of HAZARDOUS waste (poison packaging, paint cans, nalco buckets, used oplie drums, used filters, etc.), technical environmental and K3 patrols in cottage areas, and guidelines for handling chemical packaging waste
5. Document No.DOK: SOC/DP/4.11-05, Revisi: 09, effective 01 January 2023, concerning Guidelines for Handling Chemical Packaging Waste, contains information on types of HAZARDOUS packaging waste (ex chemical bottles, ex chemical sachets, ex jerry cans chemicals, fertilizer jute, ex-chemical buckets, ex-chemical drums and other ex-chemical packaging, handling HAZARDOUS packaging waste, technical handling of jerry can waste in afdeling, sending HAZARDOUS packaging waste, recording HAZARDOUS waste, reusing and handing over HAZARDOUS waste to HAZARDOUS Waste Collectors
6. Evaluation of personnel participating in the training on Guidelines for handling HAZARDOUS waste, dated 27 August 2023, for 15 participants
7. HAZARDOUS Waste Patrol Book in the Cottage area for Divisions I, II and III, with patrol targets including: no chemical storage in the hut area, no burning of waste, and no HAZARDOUS waste packaging in the hut area

Based on the evidence above, **the evidence is sufficient and the discrepancy in this indicator can be closed**

**Verified by** : Fauzi Prima Sanusi

**1.1. Identification of Findings, Corrective Actions and Observations at ASA-2.2 Assessment**

<i>NCR No.</i>	: 2023. 01	<i>Issued by</i>	: Mia Rahmah Qadryani
<i>Date Issued</i>	: 26 August 2023	<i>Time Limit</i>	: 23 November 2023
<i>NC Grade</i>	: Major	<i>Date of Closing</i>	: 23 November 2023
<i>Standard Ref. &amp; Requirement</i>	<b>6.2.1</b> Documentation of pay and working conditions in accordance with applicable labour laws are available to the workers in national languages and explained to them in language they understand		
<b>Evidence observed (filled by auditor):</b>			
<b>Structure and Scale of Wage</b>			
<ul style="list-style-type: none"> <li>• Decree of the Governor of Sumatera Utara No. 188.44/1011/KPTS/2022 concerning the minimum wage of Batu Bara District in Kalimantan Timur period of 2023 is Rp. 3,410,034.02/month. The minimum wage was only determined for workers with 1 year working period or less.</li> <li>• Decree No. UM/KK/BI/322/23 concerning the minimum wage of permanent worker in 2023 is Rp.3,410,034.-</li> </ul>			



/month for workers under a year work period. The wage was contain of basic wage Rp. 3,255,534 plus the rice allowance as much as Rp. 154,500/month so the total wage was Rp. 3,410,034 per month.

- Internal Memorandum No. UM/PB/R/042/23 regarding structure and scale of wage. This document stated that the worker's wage determination was divided into several classes and grades, for example: grade 1 class 1 as the lowest grade received Rp. 3,311,800 basic wage per month. However, the wage structure and scale was only for staffs and UoC hasn't established a wage scale and structure yet for workers with up to one year working period.
- Work Agreement Letter on behalf of RH (initials) stated that the worker was appointed as employee on 22 November 2005.
- UoC hasn't been able to show the evidence regarding the wage structure and scale for workers with up to one year working period as requested in related regulation (Government Regulation No. 36 of 2021).

**Fulfilment of Hourly Wages**

- UoC showed the contract worker agreement of daycare No. TG/X/Bi/422/2022 on behalf of YN (initials) which was valid from 1 January 2023 to 31 December 2023. This document stated that workers were obliged to care for employees' children every Thursday to Saturday at 07.00 to 12.00 (5 hours work) with total wage of Rp. 1,250,000/month.
- Worker's wage payment on behalf of YN (initial) for the period of July 2023 was Rp. 1,170,000 with total 12 working days.
- Decree of the Governor of Sumatera Utara No. 188.44/1011/KPTS/2022 concerning the minimum wage of Batu Bara District in Kalimantan Timur period of 2023 is Rp. 3,410,034.02/month.
- Government Regulation No. 36 of 2021 concerning Wages in article 16 states that hourly wages are paid in accordance with the agreement between the Company and workers as long as the agreement wasn't lower than the hourly wage formula: monthly minimum wage/126.
- Based on a simulation of Auditor hourly wages calculation in accordance with the applicable regulations, the salary that should be received by worker on behalf of YN (initial) in July 2023 was Rp. 1,623,826 with detailed calculations:
  - a) Total hourly wages: Rp. 3,410,034 / 126 = Rp. 27,064 per hour
  - b) Total working hours of workers in a day: 5 hours x Rp. 27,064 = Rp. 135,319/day
  - c) Total working days on behalf of YN (initial) in July 2023 was 12 working days. So that the total salary in a month was: Rp. 135,319 x 12 days = Rp. 1,623,826.

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

UoC hasn't been able to show the evidence regarding the wages of workers with a working period of more than 1 (one) year were guided by the structure and scale of wages (PP No. 36 of 2021) and workers' hourly wages was not in accordance with applicable regulations (PP No. 36 of 2021).

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

- Evaluation of compliance with the minimum wage of Batu Bara District hasn't been conducted comprehensively.
- The wage determination of Tanah Gambus held after the negotiations with the BKS-PPS.
- The management hasn't had a full understanding regarding the provision of Government Regulation No. 36 of 2021 concerning the wage. Where the calculation of contract worker hourly wages wasn't referred to the relevant regulation and calculated as: monthly wage divided by 25 working days then divided by 7 working hours.

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

- The company paid the worker's wage in August in accordance with the minimum wage of Batu Bara District in 2023
- The management determined the wage of workers in accordance with minimum wage of Batu Bara district in 2023 per August 2023 and thereafter.
- Company recalculated the hourly wages of contract workers in accordance with PP No. 36 of 2021 and revised the amount of workers' wages in the work agreement.
- The company has paid the wages for daycare officers in accordance with the latest work agreement.

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

- The company re-identified the determination of minimum wage in details and evaluated the compliance with these regulations.
- Legal staff provided the socialization for all management regarding the calculation of hourly wages for contract workers who paid hourly.
- The work agreement period of contract worker in daycare officer will update monthly due to the identification of the total working days in the following month will continue to be identified for each work agreement renewal referring to PP No. 36 of 2021. Socfindo management has established a new policy that daycare officer will be permanent.
- The contract workers who have reached the end of their working period were given compensation in accordance with PP 35 of 2021.

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

**Auditor Evaluation on 6 September 2023**

UoC has responded to the root cause analysis, corrective actions, and corrective actions that have been relevant to the nonconformity. However, UoC has not shown any evidence of improvement as stated in corrective actions and corrective actions.

Based on the description above, the nonconformity hasn't complied yet.

**Auditor Verification on 17 October 2023**

UoC showed the evidence of corrective action and correction as follows:

- PT Socfin Indonesia Management Decree on 25 August 2023. This document stated that the wages of permanent workers (PHT) remain changed from Rp. 3,410,534 to Rp. 3,420,534.
- Pay slips for maintenance workers on behalf of EW (initials) for the period of August 2023. In this document it's known that the workers received wages of Rp. 3,425,032.
- Pay slips for maintenance workers on behalf of EW (initials) for the period of August 2023. In this document it's known that the workers received wages of Rp. 3,425,032.
- Work Agreement for daycare officer No. TG/X/Bi/308/2023 on behalf of YTN (initials). In this document at article 6 explains the formula for calculating hourly wages of Rp. 3,425,032/126 hours x 5 hours x 12 days= Rp. 1,630,980 per month.
- The proof of worker's wage payment for daycare officers in August 2023 on behalf of YTN (Initials) in the amount of Rp. 1,630,980.
- Evaluation of regulatory compliance related to compliance with PP No. 36 of 2021 in terms of fulfilling workers' hourly wages and wages for workers with more than 1 year working period.
- Minutes of Socialization of Workers' Wages Calculation on 09 October 2023 which was attended by 25 staff workers.

**However, the Company needs to provide an explanation regarding the following:**

- The contract worker's work agreement period is valid every month, will the number of working days in the following month continue to be identified for each work agreement renewal?
- The worker's status is a contract worker (looking at the term of the work agreement), what about the payment of PKWT compensation at the end of the work agreement?

Based on the description above, the nonconformity hasn't complied yet.

**Auditor Verification on 26 November 2023**

The company showed additional proof of improvement in the form of an explanation in the Corrective Action as follows:

- For the work agreement period for workers which was valid every month, the number of working days in the following month will continue to be identified for each work agreement renewal referring to PP No. 36 of 2021. Socfindo management has established a new policy that work at daycare in the future will use workers still.

<ul style="list-style-type: none"> <li>Contract workers who have reached the end of their working period are given compensation in accordance with PP 35 of 2021.</li> </ul> <p>The company has also provided additional documents which was the proof of compensation payment of contract worker.</p> <p><b>Based on the description above, the nonconformity is declared as complied.</b></p> <p><i>Follow up on next audit (filled by auditor):</i></p>
<p><b>Verified by</b> : Mia Rahmah Qadryani</p> <p><b>Diverifikasi oleh</b></p>

<b>NCR No.</b>	: 2023. 02	<b>Issued by</b>	: Fauzi Prima Sanusi
<b>Date Issued</b>	: 26 August 2023	<b>Time Limit</b>	: 23 November 2023
<b>NC Grade</b>	: Minor raise to Major	<b>Date of Closing</b>	: 24 October 2023
<b>Standard Ref. &amp; Requirement</b>	7.3.2 <b>There is evidence of waste disposal according to procedures fully understood by workers and managers</b>		
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>Rinse house procedure Doc No. : SOCP/DP/4.11-11, No. Rev: 00, effective January 1 2020, stated: Rinse room waste is collected in the secondary containment and then pumped to the poison mixing tank for the next day's spray activities</li> <li>As a result of a field visit at the Office Complex and Housing for Division I &amp; IV employees, it was found that the condition of handling liquid waste from the rinse room in the rinse house at the Division I &amp; IV office, was stored in a septic tank, with no lid and full, so that it overflowed outside (exposed to the ground directly) and flows into the ditch, and the position of the washroom waste container is close to the water source well</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b></p> <p>The company has not been able to show sufficient evidence that the management/disposal of HAZARDOUS waste and the handling of washroom waste in the field are in accordance with the established procedures .</p> <p><b>Root Cause Analysis (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>The rinse room wastewater stored in the secondary containment Division 1/4 is already full and is even overflowing because the wastewater is not reused as poison solvent water. This happened because spray workers from division 1/4 worked in division 3 but carried out rinsing in division 1/4 while the water for the poison solvent was not taken from Division 1/4 but was taken from division 3.</li> <li>Making Second Containment adjacent to the drilled well location due to consideration of placing the water pump machine in one house to make it safer.</li> </ul> <p><b>Correction (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>Rinse room waste water is taken and put into jerry cans and reused for spraying at a later date.</li> <li>Close the Second containment close to the drilled well</li> </ul> <p><b>Corrective Action (filled by organization audited):</b></p>			

- Identify second containment locations in all divisions and ensure that all are 10 m from clean water sources in accordance with Minister of Health Regulation No. 3 of 2014.
- If the distance is not appropriate, a second containment is created at a distance of 10 m from the location where the well water is located
- Install a floating switch on the pump and a storage installation in the form of a 2 x 200 L tank to store waste water used for rinsing.
- Monitoring by referring to Form 4.12-01-60 Rinse room patrol

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

**Auditor Verification dated 06 September 2023**

The company has responded to root cause analysis, corrective actions, and corrective actions that have been relevant to the nonconformity. However, the Company has not shown evidence of improvement as stated in corrective actions and corrective actions.

Based on the description above, **the nonconformity is declared not yet fulfilled.**

**Auditor Verification Date 24 October 2023:**

The company shows evidence of improvement efforts as follows:

1. Photo documentation of the creation of secondary containment for liquid waste used from mixing chemicals
2. Closure of the old secondary containment adjacent to the drilled well
3. Documentation of the removal of the new secondary containment at a distance of 10 meters from the drilled well location, with permanent wall construction and equipped with a drain pipe from the rinse room location.
4. LK3 Patrol monitoring records, in the rinse room area, including the availability of rinse room waste storage tanks, condition of rinse room waste not overflowing

**Based on the proof of improvement above, the evidence can be accepted and fulfilled, so that non-conformities in this indicator can be closed, and will be further verified in the next audit activity (ASA 2.3)**

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

**Verified by : Fauzi Prima Sanusi**

<b>NCR No.</b>	<b>: 2023.03</b>	<b>Issued by</b>	<b>: Fauzi Prima Sanusi</b>
<b>Date Issued</b>	<b>: 26 August 2023</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 24 October 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.3.3 The unit of certification does not use open burning for waste disposal</b>		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>• Non-Deforestation, Peat Development and Environmental Policy - Burning reviewed in February 2023. The policy states "carry out active outreach to avoid burning household waste in landfills".</li> <li>• The company has a Guideline Procedure for Handling Domestic Waste (Doc No.: SOC/DP/4.11-04, Rev No.: 03, effective 1 June 2020, explaining: Handling of domestic waste in general:             <ol style="list-style-type: none"> <li>a. Provision of rubbish dumps in every area, one of which is in housing and offices</li> </ol> </li> </ul>			

<p>b. Routinely dumping waste from TPS to TPS is carried out according to the needs of each plantation using trucks or 3-wheeled vehicles, and ensuring that the waste transport process does not get scattered during the journey.</p> <p>c. Burning rubbish is prohibited</p> <p>Handling domestic waste in workers' housing:</p> <p>a. Burlap sacks are provided in each house</p> <p>b. Organic waste can be thrown behind the house if there is a waste disposal hole. The organic waste is then buried and composted to make organic fertilizer.</p> <p>c. If there is no waste pit, it must be disposed of at the nearest landfill</p> <p>d. Inorganic waste is transported to inorganic TPA</p> <ul style="list-style-type: none"> <li>• The results of field visits at the Office and Housing Complex for Division I &amp; IV and II employees found the following conditions: <ul style="list-style-type: none"> <li>- In Division II, behind the Division office there is a buildup of rubbish and traces of rubbish burning.</li> <li>- In Division II employee housing, piles of organic and inorganic waste were found and there were traces of burning at 4 points.</li> <li>- In Division I&amp;IV employee housing and the surrounding environment, piles of organic and inorganic waste and traces of burning were found.</li> </ul> </li> </ul>
<p><b>Non-Conformance Description</b> (filled by auditor):</p> <p>The company has not been able to show sufficient evidence that the company does not use open burning to destroy waste in accordance with established procedures.</p>
<p><b>Root Cause Analysis</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>- Waste transportation is not carried out consistently due to the lack of special vehicles to transport waste. So the rubbish piles up and is burned by the homeowner.</li> <li>- Housing patrols have not been carried out in accordance with DP 4.12-02 Housing Patrol Guidelines</li> </ul>
<p><b>Correction</b> (filled by organization audited):</p> <ul style="list-style-type: none"> <li>- Clean up all burnt rubbish (Appendix 1.1)</li> <li>- Collect inorganic waste and send it to landfill (Appendix 1.2)</li> </ul>
<p><b>Corrective Action</b> (filled by organization audited):</p> <p><b>Make a waste transportation schedule for all Divisions (Attachment 2.1)</b></p> <ul style="list-style-type: none"> <li>- Monitoring cottages according to DP 4.12-02 Housing patrol guidelines then recording it in Form 4.12-01-35 Hut Areas (Appendix 2.2.1, 2.2.2, 2.2.3)</li> <li>- Socialization of the prohibition on burning waste in all divisions (Appendix 2.3)</li> <li>- Add sign boards or warnings prohibiting burning of rubbish in all huts (Attachment 2.4)</li> </ul>
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p> <p><b>Auditor Verification dated 06 September 2023</b></p> <p>The company has responded to root cause analysis, corrective actions, and corrective actions that have been relevant to the nonconformity. However, the Company has not shown evidence of improvement as stated in corrective actions and corrective actions.</p> <p><b>Based on the description above, the nonconformity is declared not yet fulfilled</b></p> <p><b>Auditor Verification Date 24 October 2023:</b></p> <p>The company shows improvement efforts as follows:</p> <ol style="list-style-type: none"> <li>1. Photo documentation of the installation of photo sign boards or warnings against burning rubbish, at Block 53, block 43, block 38, block 90</li> <li>2. Photo documentation of cleaning up burnt rubbish for all divisions, in block 07, block 43, block 82 and block 23</li> <li>3. Photo documentation of inorganic waste collection and delivery to landfill for all divisions in block 82, block 44 and block 24, and block 90</li> </ol>

<p>4. Record of LK3 patrol checklist, Division I hut area, with inorganic TPS inspection items, no burning of rubbish, no B3 waste packaging in the hut area</p> <p>5. Record of the socialization of B3 Waste and the Prohibition of Burning Waste, on 18 August 2023 in Division III, attended by 30 participants, Division I attended by 22 participants</p> <p>6. Corrective and preventive action request document No. PTKP :01/003/2023, 20 September 2023, related to determining corrective action for findings of waste burning in the workers' hut</p> <p>7. Document for Determining Waste Transport Schedule, dated 01 September 2023, no. TG/Div/BI/411/23, a waste transportation schedule has been determined every Friday.</p>
<p><b>Based on the evidence presented above, the evidence is acceptable and satisfactory, so that discrepancies in this indicator can be closed, and will be further verified in the next audit activity (ASA 2.3)</b></p>
<p><i>Follow up on next audit (filled by auditor):</i></p>
<p><b>Verified by : Fauzi Prima Sanusi</b></p>

<b>NCR No.</b>	<b>: 2023.04</b>	<b>Issued by</b>	<b>: Johannes Pandiangan</b>
<b>Date Issued</b>	<b>: 26 August 2023</b>	<b>Time Limit</b>	<b>: Next Surveillance</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 17 October 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<p><b>: 7.11.2</b>  <b>The unit of certification establishes fire prevention and control measures for the lands it directly manages.</b></p>		
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>• The company has shown Emergency Preparedness and Response Procedure Number SOC/PSM/4.08 Revision 05 dated 1 April 2014 which has been approved by the General Manager and Principal Director of PT Socfin Indonesia. In this procedure there are::</li> <li>• Guidelines regarding the management of monitoring hotspots on plantation land (SOC/DP/4.08-09) which explains: <ul style="list-style-type: none"> <li>V. Fire spot monitoring facilities (Fire Tower, Drone, and Manual)</li> <li>VI. Monitoring team (2 officers in the fire tower, 2 drones, and manual. The number of fire teams in each division is adjusted to the size of the division, where each officer is responsible for monitoring fires and Estate security in each block in the relevant division).</li> <li>VII. Hot spot monitoring techniques (Fire Towers, Drones, and Manuals). This section explains that every monitoring result that has been carried out is accurately recorded in the monitoring book</li> <li>VIII. Monitoring Frequency. It was explained that the monitoring carried out: <ul style="list-style-type: none"> <li>Dry season: monitoring via fire towers and drones is carried out twice a week starting on the 14th day without rain, and manual monitoring is carried out every day.</li> <li>Normal Conditions : Monitoring through fire towers and drones is carried out every 2 weeks and manual monitoring is carried out every day.</li> </ul> </li> </ul> </li> <li>• Guidelines for Prevention of Land Fires (SOC/DP/4.08-09) which explains : <ul style="list-style-type: none"> <li>i. Infrastructure (referring to Minister of Agriculture Regulation No. 5 of 2018, water pontoons (if needed), and warning signs prohibiting burning and throwing away cigarette butts in the plantation area).</li> <li>ii. Counseling</li> <li>iii. Prevention efforts include establishing a Estate management policy (prohibition of burning garbage both in settlements and in blocks and prohibition of throwing cigarette butts in the area around the block), counseling, third party collaboration</li> </ul> </li> </ul>			



- iv. Equipment and prevention of land fires (installing warning signs on the side of the Estate road that is passed by workers/community
  - v. Simulation
  - vi. Monitoring (in accordance with SOC/DP/4.08-09) Based on the results of a field visit to the Block 7 Division 2 replanting area, it was discovered that there were burnt marks on chopped oil palm stems. The company has shown the Monitoring Report Document and Land Fire Conditions for the first semester of 2023 which was reported to the Regent and the Batubara district agriculture and plantation service on June 9 2023, it is known that no hotspots were found.
- The results of fire spot monitoring carried out periodically (monthly) in Division V for the period January – August 2023 revealed that no fire spots/burning spots were found in the field.
  - Based on the results of a field visit to the Block 7 Division 2 replanting area, it was discovered that there were burnt marks on the chopped palm oil stems. Monitoring Report Document and Land Fire Conditions for the first semester of 2023 which was reported to the Regent and the Batubara district agriculture and plantation service on June 9 2023, it is known that no hotspots were found.
  - The results of fire spot monitoring carried out periodically (monthly) in division V for the period January – August 2023 revealed that no fire spots/burning spots were found in the field.

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

Based on the explanation above, it is known that the company has not been able to show sufficient evidence that its fire prevention and control measures on land it manages directly are in accordance with its procedures.

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

- People who own land adjacent to the Socfin plantation are not aware that there is a burning ban because outreach is only carried out to the village head and a few residents.
- Identification of fire-prone points has not been carried out in accordance with DP 4.08-03 PT Socfindo Fire Emergency Response Guidelines
- Farm owners, village residents and other parties around the plantation area are not involved in communication to anticipate land fires.
- Routine monitoring and evaluation of fire spots has been carried out by the company, however the areas designated for monitoring do not cover all areas because identification of fire-prone spots has not been carried out. So the evaluation results are inaccurate.

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

- Cleaning burnt marks in block 7 Div II (border of Tanah Gambus HGU and community fields)
- Re-monitoring hotspots, documenting and evaluating the results.

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

- Identify fire-prone points for all Divisions in accordance with DP 4.08 - 03 PT Socfindo Fire Emergency Response Handling Guidelines
- Identify parties who have the potential to carry out burning activities, or ignore hotspots around the Tanah Gambus Plantation HGU.
- Disseminate understanding of the prohibition on burning and the impact of burning activities to the parties mentioned above.
- Carry out initiatives for communities around the plantation to form a Fire Care Community (MPA).
- Adding tick monitoring locations, namely the area bordering the HGU with community or village fields to ensure there are no hotspots or former hotspots in the area

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

**Verification, September 6, 2023.**

**Observed evidence:**

-

**Conclusion :**

Based on the results of the root cause analysis, corrections, corrective actions submitted and with no evidence of improvements submitted, the nonconformity is declared not yet fulfilled. Please provide a response to the response submitted by the auditor and complete proof of improvement.

**Verification, October 17, 2023**

**Observed evidence:**

- Documentation in the form of photos of cleaning up traces of burning in locations bordering community areas.
- Fire spot monitoring document for the period August 2023, based on this document it is known that there are no fire spots appearing at the Tanah Gambus Estate location
- Document listing identification of fire-prone points at PT Socfindo – Tanah Gambus Estate. Based on this document, it is known that there are 19 points prone to land fires in Tanah Gambus Estate, for example the estate border area in Block 117 Division V Tanah Gambus Estate.
- Document listing the identification of parties who have the potential to carry out burning activities around the Tanah Gambus Estate area. Based on this document, it is known that there are 8 villages identified as carrying out planting around the Company's border area.
- Socialization document on the prohibition of burning in areas around the Company, one example of which is the socialization to Tanah Gambus Village which was held on September 29 2023, which was attended by 14 participants representing the community.
- Document of fire management cooperation agreement between the Company and surrounding villages. For example, the agreement between PT Socfindo – Tanah Gambus Estate and Empat Negeri Village was signed by the Manager of PT Socfindo – Tanah Gambus Estate and the Head of Empat Negeri Village.

**Conclusion :**

Based on the results of root cause analysis, corrections and corrective actions as well as evidence of improvement shown by the Company, **the nonconformity is declared to have been fulfilled**. Regarding the consistency of the corrective actions submitted by the Company, it will be observed again in the next assessment.

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

**Verified by** : **Johannes Pandiangan**

**3.4.2. Opportunity for Improvement**

No	Ref. Std.	Description
-		

**3.4.3. Noteworthy Positive Components**

No	Description
1	Commitment in implementing the principles of sustainable oil palm plantation management.
2	The company has competent human resources in their respective fields
3	Well presented documents
4	UoC won Propemas for the period of 2021 to 2022 with the Blue predicate.

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







Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Department of Agriculture and Plantation of Batubara Regency</b></p> <ul style="list-style-type: none"> <li>• Last plantation class assessment in 2018/2019, and for PT Socfin no recent assessment has been carried out</li> <li>• Companies are encouraged to be involved in the development and management of plantations through a partnership pattern with the community/farmer groups</li> <li>• The company routinely provides reports on plantation business development and fire control reports</li> <li>• Need to complete land fire extinguishing facilities and infrastructure in stages according to Minister of Agriculture Regulation No. 5 of 2018</li> <li>• The location of the planned partnership oil palm plantation is in the 50 Pesisir sub-district area</li> </ul> <p>The company maintains active and good communication with the Department of Agriculture and Plantations</p>	<p>There were no negative issues</p>
<p><b>Department of Housing, Settlements and Environment, Government of Batubara Regency</b></p> <ul style="list-style-type: none"> <li>• The company has two environmental documents, namely DELH 1994 and UKL-UPL 2016, in terms of changing the type of plant from rubber trees to oil palm</li> <li>• Companies are directed to immediately integrate hazardous waste permits, liquid waste permits and air waste permits into environmental approvals</li> <li>• In connection with the expiry of the permit for the management of liquid waste and toxic hazardous waste, companies are encouraged to immediately prepare technical approvals and submit them to the Ministry of Environment and Forestry</li> <li>• The company routinely submits reports on the implementation of the RKL-RPL, reports on the management of liquid waste and reports on the management of hazardous waste materials</li> </ul>	<p>There were no negative issues</p>
<p><b>National Land Agency of Batubara District</b></p> <ul style="list-style-type: none"> <li>• At this time the company is in the process of extending the usufructuary rights, the process has reached stage 1, namely the process of measuring the area of land has been completed and a map of the plots of land has been issued, the second stage is the request of committee B for the issuance of a decree</li> </ul>	<p>There were no negative issues</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>On the area of Cultivation Rights requested for extension, there is a reduction in area for the needs of Batubara district government of 50 Ha, then for the needs of national infrastructure (toll roads), railroads and high voltage power lines</li> <li>There were no reports regarding area conflicts or overlapping ownership</li> <li>Companies in the process of developing partnership Estates as one of the things required in the process of extending Cultivation Rights</li> </ul>	
<p><b>Manpower Agency of Sumatera Utara Province (Dinas Ketenagakerjaan Provinsi Sumatera Utara).</b> Interviewee: Supervisor of Manpower Agency. Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>The company has provided wages to workers as stipulated in the District Minimum Wage of 2023 Rp. 3,400,000.</li> <li>There was no mediation request from PT Socfin Indonesia (Tanah Gambus Mill and Estate)</li> <li>All workers have been registered in the Social security insurance and health insurance.</li> <li>The communication between the agency and the company has gone well.</li> <li>There were no workers under the age of 18 years old.</li> <li>There were no negative issues received by agencies related to employment.</li> <li>The wage and the health insurance of contractor workers wasn't fulfilled the related regulation yet.</li> </ul>	<p>There were no negative issues</p>
<p><b>Labor Union (SPSI)</b> Interviewees:</p> <ul style="list-style-type: none"> <li>Head of labor union (SPSI) in Mill</li> <li>Head of labor union (SPSI) in Estate</li> </ul> <p>Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>The company acknowledges the existence of each labor union and there was no intervention in the implementation of any operational activities.</li> <li>Member of the labor union in Estate Committee was actually mixed with mill workers, whereas the Mill Committee membership also contains of estate workers as well. The membership of labor union is voluntary.</li> <li>The communication between two labor union went well.</li> <li>Job vacancies were announced by UoC wall-boards and social media.</li> <li>Internal meetings of labor union were held once amonth while the bipartite meetings were held whenever its needed.</li> </ul>	<p>There were no negative issues related to labor union that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• Labor union were involved in CLA period of 2022 to 2024 drafting.</li> <li>• All workers were permanent workers.</li> <li>• The basic wage of workers was above the determined district minimum wage.</li> <li>• Labor action in June 2022 was already resolved. The wage payment of 3 days labor action considered as paid leave.</li> </ul>	
<p><b>Gender Committee</b> Interviewee: Head of gender committee in PT Socfin Indonesia Tanah Gambus Estate and Mill Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>• There were no complaints or issues related to sexual harassment and violence against women or men.</li> <li>• The member of gender committee were male and female workers.</li> <li>• The gender committee had socialized some policies related to gender, sexual harassment, and violence to surrounding students and workers.</li> <li>• Female workers who placed as pesticide application workers if they reported pregnant will be transferred to the non-agrochemical works, such as daycare officer.</li> <li>• UoC had given the right of maternity paid leave and period paid leave.</li> </ul>	<p>There were no negative issues related to gender committee that need any further verification. The explanation regarding the interview output had been explained specifically in summary report.</p>
<p><b>Public Issues from Media by these following links:</b></p> <p><a href="https://humas.polri.go.id/en/2022/06/14/pt-socfindo-tanah-gambus-diduga-potong-bonus-karyawan-polsek-lima-puluh-kawal-aksi-buruh/">https://humas.polri.go.id/en/2022/06/14/pt-socfindo-tanah-gambus-diduga-potong-bonus-karyawan-polsek-lima-puluh-kawal-aksi-buruh/</a></p> <p><a href="https://jenews.id/ada-intimidasi-terkait-mogok-kerja-di-pt-socfindo-tanah-gambus-ketua-dpd-knpi-batubara-tegaskan-siap-lindungi-karyawan/">https://jenews.id/ada-intimidasi-terkait-mogok-kerja-di-pt-socfindo-tanah-gambus-ketua-dpd-knpi-batubara-tegaskan-siap-lindungi-karyawan/</a></p>	<p>Based on the interview with labor union in both estate and mill, it's known that the demonstration was held due to the issue of worker's reducing bonuses from previous years. Based on the explanation of the Manpower Agency of Sumatera Utara, the company and the labor union weren't through any bipartite meetings before the demonstration held. In fact, UoC had paid the wage of work-leave in three days during the demonstration and calculated as a paid leave in June 2023.</p>
<p><b>Head of Mangke Lama Village</b> Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>• There are no issues related to land disputes</li> <li>• The company routinely provides CSR to the villages around the company</li> <li>• The village government is involved in the preparation of the Company's CSR program</li> <li>• There is absorption of labor from the local village</li> <li>• There are no issues related to land fires</li> <li>• Communication between the company and the surrounding villages is very good</li> </ul>	<p>There are no issues that need further verification</p>
<p><b>Head of Sumber Makmur Village</b> Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>• There are no issues related to land disputes</li> </ul>	<p>Explained in the related indicators</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• The company routinely provides CSR to the villages around the company</li> <li>• The village government is not involved in the preparation of the Company's CSR program</li> <li>• There is absorption of labor from the local village</li> <li>• There are no issues related to land fires</li> <li>• Communication between the company and the surrounding villages is very good</li> </ul>	
<p><b>Head of Tanah Gambus Village</b> Date: 22 August 2023</p> <ul style="list-style-type: none"> <li>• There are no issues related to land disputes</li> <li>• The company routinely provides CSR to the villages around the company</li> <li>• The village government is not involved in the preparation of the Company's CSR program</li> <li>• There is absorption of labor from the local village</li> <li>• There are no issues related to land fires</li> <li>• Communication between the company and the surrounding villages is very good</li> </ul>	Explained in the related indicators
<p><b>PT Gunung Kawi (CPO and PK Tranporter)</b></p> <ul style="list-style-type: none"> <li>• Cooperation has been going on for more than 40 years</li> <li>• The agreement is always renewed once a year (term of the work agreement)</li> <li>• The contractor has understood and agreed to the legal compliance clause and the prohibition of child labor and forced labour</li> <li>• Evidence of compliance related to legal compliance has been provided to the contractor</li> <li>• The company routinely invites contractors to provide outreach/training related to RSPO, at least once every 3 months</li> </ul> <p>There are no problems in the implementation and payment of the cooperation contract</p>	There are no negative issues that need further clarification

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>		
4.1	<b>Formal Sign-off of Assessment Findings</b>		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Socfin Indonesia Head of Sustainability Sub Department</p>  <p><b><u>Andria Zulmanitra</u></b> Thursday, 23 November 2023</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Octo HPN Nainggolan</u></b> Thursday, 23 November 2023</p> </td> </tr> </table>	<p>PT Socfin Indonesia Head of Sustainability Sub Department</p>  <p><b><u>Andria Zulmanitra</u></b> Thursday, 23 November 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Octo HPN Nainggolan</u></b> Thursday, 23 November 2023</p>
<p>PT Socfin Indonesia Head of Sustainability Sub Department</p>  <p><b><u>Andria Zulmanitra</u></b> Thursday, 23 November 2023</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Octo HPN Nainggolan</u></b> Thursday, 23 November 2023</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	National Land Agency of Batubara District	Batubara District	-	Telephone	August 23, 2023	✓	
2	Department of Housing, Settlements and Environment, Government of Batubara Regency	Batubara District	-	Telephone	August 23, 2023	✓	
3	Department of Agriculture and Plantation of Batubara Regency	Batubara District	-	Telephone	August 23, 2023	✓	
4	Mangke Lama Village, Sumber Makmur Village and Tanah Gambus Village) on 22 August 2023.	Batu Bara District	-	Direct Interview	22 August 2023	✓	
5	Manpower Agency of Sumatera Utara Province	Batu Bara District	-	Direct Interview	22 August 2023	✓	
6	Labor Union SPSI	PT Socfin Indonesia Tanah Gambus	-	Direct Interview	22 August 2023	✓	
7	Gender Committee	PT Socfin Indonesia Tanah Gambus	-	Direct Interview	22 August 2023	✓	
8	Tanah Gambus Mill <ul style="list-style-type: none"> <li>• 1 head of warehouse</li> <li>• 1 warehouse clerk</li> <li>• 1 mechanical head</li> <li>• 1 WTP operator</li> <li>• 1 WWTP operator</li> <li>• 3 workshop workers</li> <li>• 2 Engine room operator</li> <li>• 2 Boiler operator</li> <li>• 1 press station operator</li> <li>• 1 Sterilizer operator</li> </ul>	PT Socfin Indonesia Tanah Gambus	-	Direct Interview	22 August 2023	✓	
9	Tanah Gambus Estate <ul style="list-style-type: none"> <li>• 1 warehouse officer.</li> <li>• 2 daycare officers.</li> <li>• 3 paramedics</li> </ul>	PT Socfin Indonesia Tanah Gambus	-	Direct Interview	22 August 2023	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>• 7 spraying workers and 2 Foreman</li> <li>• 6 harvester and 2 Foreman</li> <li>• 1 Nursery worker</li> </ul>						
10	PT Gunung Kawi (CPO & PK Tranporter)	Batubara District	Phone	Interview	22-08-2023	√	-
14	Sawit Watch	Bogor	info@sawitwatch.or.id	Via Email	16 August 2023		√
15	WWF	Jakarta	wwf-indonesia@wwf.or.id	Via Email	16 August 2023		√
16	Walhi	Jakarta	informasi@walhi.or.id	Via Email	16 August 2023		√
17	AMAN	Jakarta	rumahaman@cbn.net.id	AMAN	16 August 2023		√

**Appendix 2. Assessment Program**

DATE	21 – 25 August 2023	
PLANNED TIME	PROCESSES/ CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 21 August 2023</b>		
07:05 – 09:30 10:00 – 12:00	<ul style="list-style-type: none"> <li>Jakarta → Medan (Garuda Indonesia GA-182)</li> <li>Medan → PT Socfin Indonesia – Tanah Gambus POM</li> </ul>	All Auditor
12:00 – 14:00	Break	All Auditor
14:00 – 17:00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul> <b>Document review and completing audit checklist</b>	All Auditor
<b>Tuesday, 22 August 2023</b>		
08:00 – 12:00	<b>Public Consultation :</b> <ul style="list-style-type: none"> <li>Public consultation with stakeholder to relevant agency in Batubara Regency</li> <li>Public consultation with affected communities around the plantation and previous land owners (direct interview)</li> <li>Interviews with Gender Committees, Trade Unions, Local contractors, Employee cooperatives, third party suppliers (direct interview or by phone)</li> </ul>	FPS AFF  MIA/JON
12:00 – 14:00	Break	All Auditor
14:00 – 16:30	<b>Field observation to Tanah Gambus Palm Oil Mill</b> <ul style="list-style-type: none"> <li>Supply Chain Flow (Receiving FFB, Weighing FFB), Despatch CPO, Sortation Station and mill housing</li> <li>Observation of the processing, Fire Control Simulation and mechanism of employment aspects</li> <li>Observation of Chemical Storage, PPE Storage, Hazardous Waste Storage, WWTP, WTP, Empty Bunch Area</li> </ul>	AFF/MIA  JON  FPS
16:30 – 17:00	<b>Presentation of Daily Progress</b>	All Auditor
<b>Wednesday, 23 August 2023</b>		
08:00 – 12:00	<b>Field Observation Tanah Gambus Estate</b> Aspect to be verified : <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries) and HCV</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental Aspects, Waste Management, Waste, LA, warehouses for chemicals, fertilizers, hazardous waste warehouses, workshops, fire control facilities and worker facilities (housing, schools, religious facilities)</li> </ul>	AFF  JON  FPS/ MIA
12:00 – 14:00	Break	All Auditor

DATE	21 – 25 August 2023	
PLANNED TIME	PROCESSES/ CLAUSES TO BE AUDITED	AUDITOR
14:00 – 16:30	<ul style="list-style-type: none"> <li>Document review and completing audit checklist</li> <li>Verification of stakeholder consultation result and field visit</li> </ul>	All Auditor
16:30 – 17:00	<b>Presentation of Daily Progress</b>	All Auditor
<b>Thursday, 24 August 2023</b>		
08:00 – 12:00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist</li> <li>Verification of stakeholder consultation result and field visit</li> </ul>	All Auditor
12:00 – 14:00	<b>Break</b>	All Auditor
14:00 – 16:30	<ul style="list-style-type: none"> <li>Document review and completing audit checklist</li> <li>Verification of stakeholder consultation result and field visit</li> </ul>	All Auditor
16:30 – 17:00	<b>Presentation of Daily Progress</b>	All Auditor
17:00 – .....	<b>Internal Meeting Auditor Team</b>	All Auditor
<b>Friday, 25 August 2023</b>		
08:00 – 10:00	<b>Closing Meeting</b> <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)</li> <li>Comments, Responses and Questions</li> </ul>	All Auditor
10:30 – 13:00	<b>PT Socfin Indonesia – Tanah Gambus POM → Medan</b>	All Auditor
14:10 – 16:40	<b>Medan → Jakarta (Garuda Indonesia GA-189)</b>	All Auditor