



**SGS RSPO PROGRAM**  
(Associated Document)

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Page:

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Issue:

**05**

## RSPO PRINCIPLES & CRITERIA CERTIFICATION REPORT

### Public Summary Information

<b>Cernet's ID Number:</b>	ID-6391		
<b>Company Name (as per Certificate and Palm Trace):</b>	PT Austindo Nusantara Jaya Agri – Binanga Mill	<b>RSPO membership #</b>	1-0032-07-000-00
		<b>RSPO Registered Parent Company name:</b>	PT Austindo Nusantara Jaya Agri
		<b>RSPO Palm Trace number:</b>	RSPO_PO1000000530
<b>Country:</b>	Indonesia		
<b>Scope:</b>	Production of Crude Palm Oil and Palm Kernel at Binanga Palm Oil Mill with a capacity of 60 MT/hour using Module E: Mass Balance (MB) which FFB supplied from East Estate, Central Estate and West Estate.		
<b>Supply Chain Model:</b>	Module E: CPO Mills - Mass Balance		
<b>Mill Capacity</b>	60 tonne/hour	<b>Number of Supply Bases</b>	3 (three) Estates, 0 (No) Smallholders
<b>Certificate Number:</b>	<b>SGS-RSPO/ PC17-00010</b>	<b>Start Date:</b>	14 November 2017
		<b>End Date:</b>	13 November 2022
		<b>Date of Certificate issue:</b>	18 October 2022
		<b>Date of First Certification</b>	14 November 2012
<b>SGS Accreditation Code</b>	ASI-ACC-077	<b>Date of accreditation:</b>	5 <sup>th</sup> July 2016
<b>Management Representative name:</b>	Mr. Antoperis Tarigan		
<b>Position:</b>	Sustainability Compliance Manager		
<b>Address:</b>  <b>Street and number: Town/City State/Country Zip/Postal code Country</b>	<b>Physical address:</b>  <b>Mill Site :</b> Simangambat Subdistrict, Padang Lawas Utara District, North Sumatera Province, Indonesia  <b>Estates :</b> Simangambat and Huristak Subdistricts, Padang Lawas Utara and Padang Lawas Districts, North Sumatera Province, Indonesia	<b>Postal address:</b>  <b>Head office :</b> Sinar Mas Land Plaza Lantai 7, Jl. Diponegoro No.18, Medan – North Sumatera Province, Indonesia	
<b>Telephone:</b>	+62-614537480 Ext 235		
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<b>Web Site Address:</b>	<a href="http://www.anj-group.com">www.anj-group.com</a>		
<b>Email:</b>	<a href="mailto:antoperis.tarigan@anj-group.com">antoperis.tarigan@anj-group.com</a>		
<b>Standard:</b>	<b>RSPO P&amp;C Generic 2018 The Indonesia National Interpretation (endorsed on 20 April</b>		

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	<b>2020)</b>
<b>Date of last report update</b>	21 September 2022

<b>Actual Certified FFB Received by the Mill Aug May 2022 - June 2022</b> <b>(Audit 70% ASA4 on May 22 and Recert on July 22)</b> <b>Palmtrace period: 30 May 2022 – 13 November 2022</b>	May 2022:	8,505.95		
	June 2022:	10,799.95		
<b>Total Certified FFB</b>	19,305.90 MT			

\*Last audit (70% ASA4) conducted on 21 May 2022. So that, data production only collected from May 2022.

<b>Certified Production versus Sales</b>	<b>Palm Oil (MT)</b>	<b>Palm Kernel (MT)</b>
Last year's [May – November 2022] Estimated of certified volume (RSPO Certified) in Palm trace	28,174	7,215
Last year's [May – June 2022] Actual Production of certified volume (RSPO Certified) by the Mill	3,881.15	1,050.26
Last year's [May – June 2022] Actual Sold volume (RSPO Certified) in Palm trace	1,500	150.07
Last year's [May – June 2022] Actual Sold volume (Other schemes certified)	-	-
Last year's [May – June 2022] Actual Sold Conventional (non-certified)	-	-
<b>New Projected [July 2022 – June 2023] of Certified Volume (RSPO Certified) in Palm Trace</b>	<b>26,389.58</b>	<b>6,620.34</b>

**End of Public Summary**

**BASIC EVALUATION INFORMATION**

<b>VISIT 1 (RE-CERTIFICATION)</b>			
Assessment Dates:	11 - 16 July 2022		
CAR Closure Date(s):	No Major NC		
Team Leader/Team(s):	Yudi Utomo (Team Leader) / Gunung Wijanarko & Burhanuddin Gala		
Administration logged by:	Faridah Daud	Date:	07 October 2022
Technical review approved by:	Ahmad Furqon	Date:	17 October 2022
Certification approved by:	Johnny Koe	Date:	18 October 2022
<b>VISIT 2 (ANNUAL SURVEILLANCE 01)</b>			
Assessment Dates:			
CAR Closure Date(s):			
Team Leader/Team:			
Administration logged by:		Date:	
Technical review approved by:		Date:	
Certification approved by:		Date:	
<b>VISIT 3 (ANNUAL SURVEILLANCE 02)</b>			
Assessment Dates:			
CAR Closure Date(s):			
Team Leader/Team:			
Administration logged by:		Date:	
Technical review approved by:		Date:	
Certification approved by:		Date:	
<b>VISIT 4 (ANNUAL SURVEILLANCE 03)</b>			
Assessment Dates:			
CAR Closure Date(s):			
Team Leader/Team:			
Administration logged by:		Date:	
Technical review approved by:		Date:	
Certification approved by:		Date:	
<b>VISIT 5 (ANNUAL SURVEILLANCE 04)</b>			
Assessment Dates:	-		
CAR Closure Date(s):			
Team Leader/Team:	-		
Administration logged by:		Date:	
Technical review approved by:		Date:	
Certification approved by:		Date:	

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## LIST OF ABBREVIATION

Acronym	Meaning
AFI	Accountability Framework Initiative
ALS	Assessor Licensing Scheme
APD	<i>Alat Pelindung Diri</i> (Self-Protection Tool)
ASA	Annual Surveillance Assessments
ASEAN	Association of Southeast Asian Nations
BHCV WG	Biodiversity & High Conservation Value Working Group
BOD	Biochemical Oxygen Demand
BoG	Board of Governors
CABI	Centre for Agriculture and Biosciences International
CB	Certification Body
CBD	Convention on Biological Diversity
CPO	Crude Palm Oil
CSO	Civil Society Organisation
DfID	Department for International Development
DLW	Decent Living Wages
EFB	Empty Fruit Bunches
FAO	Food and Agriculture Organization
FFB	Fresh Fruit Bunch
FPIC	Free, Prior and Informed Consent
FSC	Forest Stewardship Council
GA	General Assembly
GHG	Green House Gas
GLWC	Global Living Wage Coalition
HCS	High Carbon Stock
HCSA	High Carbon Stock Approach
HCV	High Conservation Value
HCVRN	High Conservation Value Resource Network
HFCC	High Forest Cover Country
HFCL	High Forest Cover Landscape
HGU	<i>Hak Guna Usaha</i> (Land-Use Right)
HRC	Human Rights Commission
HRD	Human Rights Defender
IDS	Institute of Development Studies
IFC	International Finance Corporation
IFL	Intact Forest Landscape
IKU	<i>Indikator Kinerja Utama</i> (Key Performance Indicators)
ILO	International Labour Organization
IP	Identity Preserved
IPCC	Intergovernmental Panel on Climate Change
IPM	Integrated Pest Management
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature
JCC	Joint Consultative Committee
K3	<i>Kesehatan dan Keselamatan Kerja</i> (Work Health and Safety)
KBA	Key Biodiversity Area
LTA	Lost Time Accident
LSM	<i>Lembaga Swadaya Masyarakat</i> (Non Government Organization)
LUCA	Land Use Change Analysis
MB	Mass Balance
NDJSG	No Deforestation Joint Steering Group
NI	National Interpretation
OER	Oil Extraction Rate
P&C	RSPO Principles and Criteria (i.e. this document)
PBB	<i>Perserikatan Bangsa-Bangsa</i> (United Nations)
PK	Palm Kernel
PKB	<i>Perjanjian Kerja Bersama</i>
PKS	<i>Pabrik Kelapa Sawit</i> (Palm Oil Mill)
PLWG	Peatland Working Group

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POME	Palm Oil Mill Effluent
PPT	<i>Praktik Pengelolaan Terbaik</i> (Best Management Practices)
QMS	Quality Management System
RaCP	Remediation and Compensation Procedure
REDD	Reducing Emissions from Deforestation and Forest Degradation
RSPO	Roundtable on Sustainable Palm Oil
RTE	Rare, Threatened or Endangered
SCCS	RSPO Supply Chain Certification Standard
SDG	Sustainable Development Goal
SEIA	Social and Environmental Impact Assessment
SHIG	Smallholder Interim Group

## 1. SCOPE OF CERTIFICATION ASSESSMENT

### 1.1 National Interpretation Used

The operations of the mill and their FFB supply base were assessed against the **RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation (20 April 2020)**

### 1.2 Certification Scope

The scope of certification includes the production of PT Austindo Nusantara Jaya Agri - Binanga Mill and its supply base East Estate, Central Estate and West Estate according to the RSPO standard requirement of **RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation (20 April 2020)**

### 1.3 Location and Maps

PT Austindo Nusantara Jaya Agri - Binanga Mill is located in Simangambat Subdistrict, Padang Lawas Utara District, North Sumatera Province, Indonesia (**Figure 1**). More detailed information on the estates location and layouts is shown in **Figures 2**. The GPS locations of the mills are shown in Table 1 below.

**Table 1: Mill and Supply Base's GPS Location**

Mill Name	Location address	Longitude	Latitude
Binanga Mill	Simangambat Subdistrict, Padang Lawas Utara District, North Sumatera Province, Indonesia	E 99°57'48.3"	N 01°28'75.4"

Supply Base (Estate or smallholder)	Location address	Longitude	Latitude
East Estate	Simangambat and Huristak Subdistricts, Padang Lawas Utara and Padang Lawas Districts, North Sumatera Province, Indonesia	E 99°58'52.6"	N 01°30'32.1"
Central Estate	Simangambat and Huristak Subdistricts, Padang Lawas Utara and Padang Lawas Districts, North Sumatera Province, Indonesia	E 99°57'50.2"	N 01°28'81.4"
West Estate	Simangambat and Huristak Subdistricts, Padang Lawas Utara and Padang Lawas Districts, North Sumatera Province, Indonesia	E 99°52'26.5"	N 01°25'97.7"



Figure 3: Location Map for PT Austindo Nusantara Jaya Agri - Binanga Mill

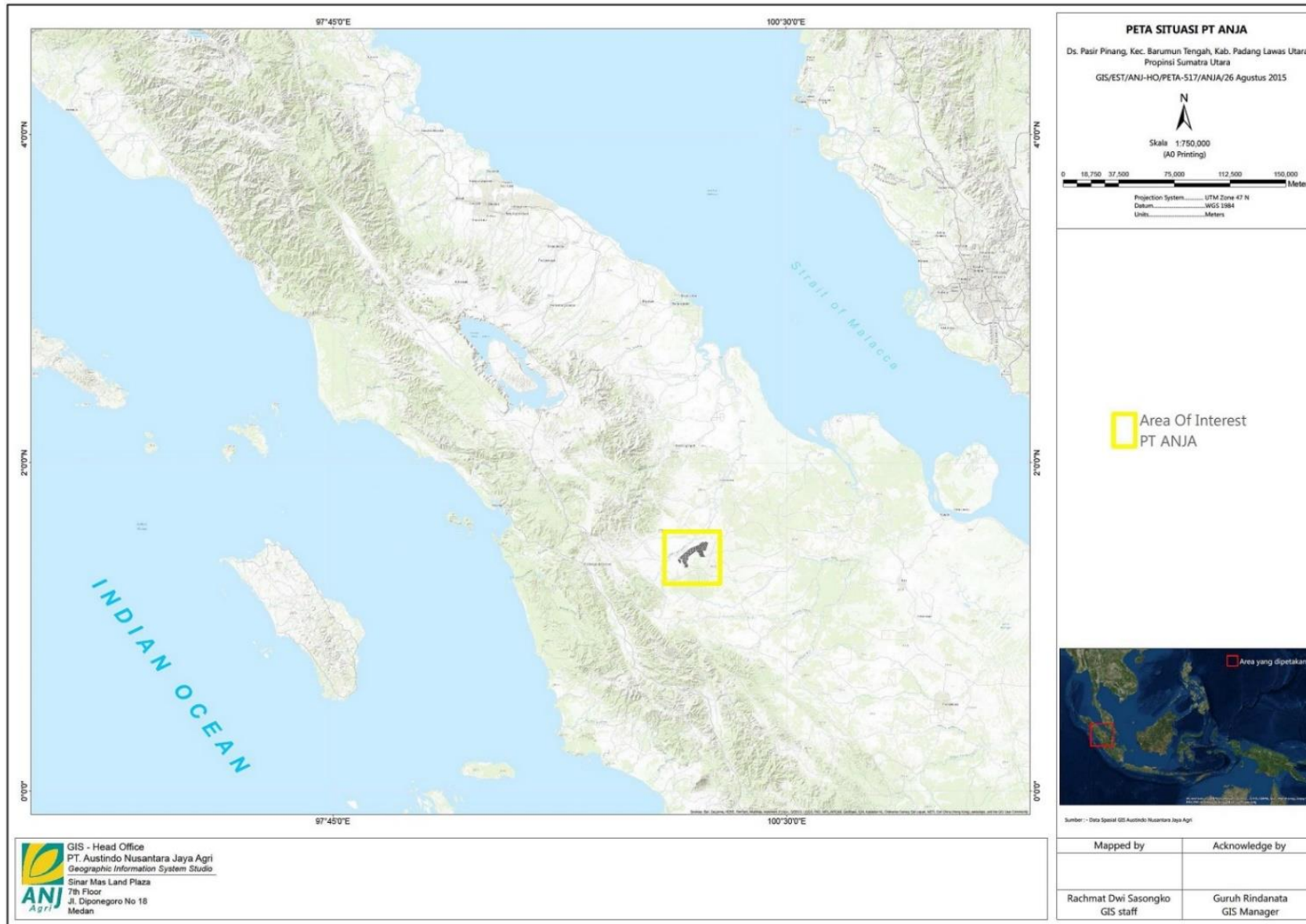
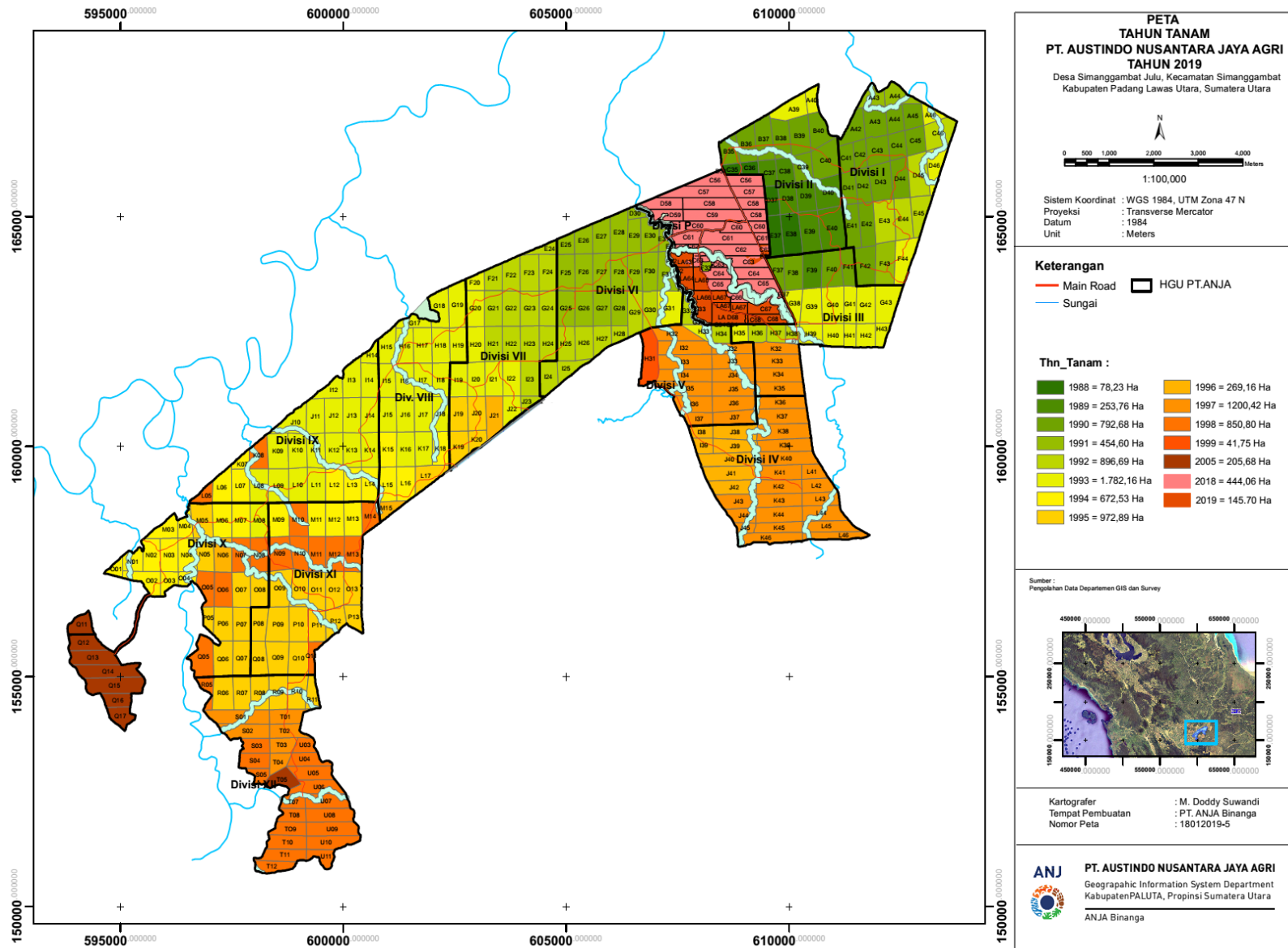


Figure 4: Estates and Mills Location Map



#### 1.4 Description of Supply Base and Mill Processing Capacity

The FFB is sourced from 3 Estate which is directly managed by PT Austindo Nusantara Jaya Agri. The OER rate is 19.04%. The budgeted crop yields from each estate are listed in Table 2 below.

**Table 2: Actual and Projected FFB from Supply Base (2021/2022)**

Estates/Scheme Smallholders Name	FFBs (Tonnes)		
	Estimation 2022	Actual May 2022 – June 2022	Projection July 2022 – June 2023
East Estate	30,585 MT	4,296.26	32,967.44
Central Estate	41,295 MT	5,800.69	33,522.92
West Estate	65,552 MT	9,208.48	64,605.40
(please add more Rows if necessary)			
<b>Total of RSPO certified supply base claimed for Certification</b>	137,432 MT	19,305.90 MT	131,095.76
Certified FFB received from other RSPO certification scope within adjacent estates: (if any)	None	None	None
Total of other RSPO certified supply base	None	None	None
Other FFB received from Non-certified supply bases (if any)	163,554 MT	47,240 MT	164,775
Grand Total of FFB received	300,986 MT	66,545 MT	295,870.76

**Table 3: Actual and Projected Mill Processing Data**

Mill Name	Mill Production Figures (MT) Claimed for Certification					
	Estimation 2022		Actual May – June 2022		Projection July 2022 – June 2023	
	CPO	PK	CPO	PK	CPO	PK
Binanga POM	28,174 MT	7,215 MT	3,881.15 MT	1,050 MT	26,389.58 MT	6,620.34 MT
Extraction Rate	OER: 20.5 %	KER: 5.25 %	OER: 20.10 %	KER: 5.44 %	OER: 20.13 %	KER: 5.05%

#### 1.5 Area of Plantation

The areas of supplying estates for this operating unit are listed in Table 4. Details of planted area (mature/immature), total land area, conservation, HCV and others are also listed.

**Table 4: Area Statement of the Supplying Estates**

Name of Estates	Planted Area		Conservation Area (Ha)	HCV Area (Ha)	Others Use (Ha)	Total Land Lease Area (Ha)
	Immature Area (Ha)	Mature Area (Ha)				
East Estate	1,376.56	1,800.09	201.87	15.15	14.92	3,393.44
Central Estate	70.12	2,548.18	20.04	168.07	146.59	2,784.93
West Estate	-	3,217.12	-	237.52	16.46	3,233.58
<b>Total</b>	1,446.68	7,565.39	221.91	420.74	177.97	9,411.95

Remarks: \*) It has included land use title (HGU) areas on the process amount of 19.47 ha which previously been certified since initial assessment in West Estate. The immature areas is the Replanting activities.

\*\*\*) Some of HCV areas were presents within planted areas before Nov 2005, particularly in Central and West estates

### 1.6 Date of Planting and Cycle

The PT Austindo Nusantara Jaya Agri – Binanga Mill own estates were planted between 1988 and 2005. The palms were considered matured when approaching four years after planting and productive until the age of 25 years. A replanting program for all estates involved are available and being projected for the next five (5) financial years (2018 to 2023). The age profiles for all the estates are simplified in Table 5 below.

**Table 5: Planting Age Profiles for all Supply Base Estates**

Name of supplying estate	Planting Age (Ha)			
	Immature	>4 - 14 years	>14 - 25 years	>25 years
East Estate	1,376.56	-	671.32	1,128.77
Central Estate	70.12	-	417.74	2,130.44
West Estate	-	-	1,200.96	2,016.16
<b>Total</b>	<b>1,446.68</b>	<b>-</b>	<b>2,290.02</b>	<b>5,275.37</b>

Remark: \*) It has included land use title (HGU) areas on the process amount of 19.47 ha

### 1.7 A brief description of the Company and their socioeconomic livelihood

The Company has total 1412 of employees in Binanga Mill, East Estate, Central Estate and West Estate, majority of the employees are Indonesian citizen which majority came from surrounding local community (i.e. Padang Lawas regency dan Padang Lawas Utara Regency - Sumatera Province, known as Batak and Malay ethnic groups) and some of them were originally came from other places within Indonesia such as Central Java and East Java (known as Javenesse community). All of the employees are in permanent work status who received monthly wages with some of them are daily rate scheme. The company provided housing for the workers within company site location and provision of others amenities such as creche, medical facilities and the worship place (e.g. Masjid for Muslim majority population and Church for minority Christian population). For those some workers who came from surrounding location choose to live at their own house in the nearby village close to their family. Most of female workers are wife of male workers. They are working as loose fruit pickers helping their husband who works as FFB harvester, while some other female workers are worked as estate up-keep (e.g. as Sprayer and Fertilizer application).

**Table 6: Number of Employees Based on workplace as of 31 June 2022**

Management Units	Employees number	
	Male	Female
Binanga POM	120	7
Estate Operation (East Estate, Central Estate & West Estate)	889	196
EA / CID Departemen	1	-
EHS Departemen	14	-
Civil Engineering Departemen	9	-
CWT Departemen	63	1

Nursery	22	15
Replanting	61	4
Finanace & Accounting	1	5
HRGA	4	10
Logistic	7	1
Policlinic	2	10
QA	5	-
R & D	2	1
Sustainability	-	1
School	3	1
Commercial	1	-
<b>Total employees by gender</b>	<b>1198</b>	<b>214</b>
<b>Grand Total</b>	<b>1371</b>	

**Table 7: Employee Composition by Position Level as of 31 June 2022**

Position Level	Employees number	
	Male	Female
Director	1	
General Manager	2	0
Manager	9	0
Asistant Manager	15	2
Supervisor	25	2
Worker, Operator, Harvester, Sprayer, etc	1112	204
<b>Total employees by gender</b>	<b>1163</b>	<b>208</b>
<b>Grand Total</b>	<b>1371</b>	

**Table 8: Employee Composition by types of workers / nature of job including migrant workers as of 31 June 2022 (not to include supervisory, administrative, clerical staff and Managers)**

Management Units	Employees number								Type of origin				
	Full time		Temporary		Casual		Seasonal		Total	Local		Foreign/Migrant	
	M	F	M	F	M	F	M	F		M	F	M	F
Binanga POM	128	7	1						128	120	7		
East Estate	307	58							369	307	62		
Central Estate	318	58							384	318	66		
West Estate	315	62							388	318	70		
Civil Engineering	9								9	9			
Finance Accounting	2	5							7	2	5		
HRGA	9	14							23	9	14		
Logistik	7	1							8	7	1		
Nursery	27	16							43	27	16		

Poliklinik	2	10						12	2	10		
QA	7	1						8	7	1		
EHS	14	-	1					14	14	-		
CWT	63	1						64	63	1		
<b>Total employees</b>	<b>1107</b>	<b>103</b>	<b>2</b>					<b>1371</b>	<b>1209</b>	<b>203</b>		

\*) M = Male, F = Female

The percentage and type of workers that are provided housing at company cost (not to include supervisory, administrative, clerical staff and Managers);	-	%
The percentage and type of workers that are provided housing allowance (not to include supervisory, administrative, clerical staff and Managers);	100	%
The percentage of workers in the scope of the audit that work on piece rate wages;	-	%

**Table 9: Total number of workers employed by Company's Subcontractor**

Subcontractor name	Nature of work for the company	Number of Workers	
		Male	Female
CV Usaha Mandiri	Replanting	15	-
<b>TOTAL WORKERS</b>		<b>15</b>	<b>-</b>

### 1.8 Other Certification Held

PT Austindo Nusantara Jaya Agri – Binanga Mill has other certificates as follows:

- ISPO Certificate Number TNI-ISPO-G-1604 valid until 18 July 2026.
- ISO 14001:2015 Certificate (valid until 6 July 2023)
- ISO 45001:2018 Certificate (valid until 15 June 2023)
- SMK3 (valid until 16 Sept 2023)

### 1.9 Organizational Information and Contact Person

The company contact person details are as follows:

**Name:** Mr. Antoperis Tarigan

**Position:** Sustainability Compliance Manager

**Address:** Sinar Mas Land Plaza Lt. 7, Jln. P. Diponegoro No 18 Medan 20152 Indonesia

**Contact No.:** +62-614537480 Ext 235

**Email address:** [antoperis.tarigan@anj-group.com](mailto:antoperis.tarigan@anj-group.com)

### 1.10 The minimum requirements for Multiple Management Units

PT Austindo Nusantara Jaya Agri is a member of RSPO and has been involved in the certification 2007; the membership number with RSPO is 1-0032-07-000-00.

PT Austindo Nusantara Jaya Agri owns and operates 4 mills and 15 oil palms estates, together with 8 operating unit covering approximately 150,448.28 ha in Indonesia on 2017 year, and on 2018 unit covering approximately 155,928.63 ha. PT Austindo Nusantara Jaya Agri has developed a time-bound plan (**Appendix C**).

**Auditor Finding on the Time Bound Plan (Clause 4.5.3) and Un-certified Management Units (Clause 4.5.4) against requirements of RSPO Certification System documents.**

**Time Bound Plan requirements as per Clause 4.5.3 of RSPO P&C Certification System:**

4.5.3 A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the Lead Auditor during the initial certification audit. The time-bound plan should contain a current list of all estates and mills;

a) As a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership. Any new acquisitions shall be certified within a threeyear timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.

b) Progress towards this plan shall be verified and reported on in subsequent Annual Surveillance audits by the Lead Auditor. Where the SGS lead auditor conducting the surveillance audit is different from the previous audits conducted by other CB which has first accepted the time-bound plan, the SGS Lead auditor shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;

c) Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the Lead Auditor. Changes to the time-bound plan are permitted only where the organization can demonstrate to the Lead Auditor that they are fully justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);

d) Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised. Non-compliances could be raised against Clause 4.5.3 of RSPO P&C Certification System

Requirement	Findings and any action required	Compliance
<p>Description of Company's Management Structure being audited in relation to Majority of shareholder (whom ultimately controlling shareholder) and its subsidiaries companies.</p> <p><u>Guidance for Auditor:</u></p> <p><i>Beside interview with company's management representative, these required information should be supported with browsing through Internet search for the company name such as media coverage, legal registration, and RSPO Annual Communication on Progress (ACOP). As addition, if other Certification Body(s) has performing evaluation to this requirements either in the company being audited and/or at other certified companies under same holding, Auditor may request for the summary report through the company and consider it as part of this audit.</i></p> <p><i>The parent organization or one of its majority owned and / or managed subsidiaries are member of RSPO, whether the registered RSPO member is the holding company or one of its subsidiaries;</i></p> <p><i>NOTE 1: For groups with complex management structures the following are required:</i></p> <p><i>i. A statement of the ultimate controlling shareholders and directors in the managing agency company/companies.</i></p> <p><i>ii. Ditto in respect of each of the operating groups.</i></p> <p><i>iii. Application for membership by the top asset owning company/companies.</i></p> <p><i>iv. Application for membership by the managing agency company/companies</i></p>	<p>PT Austindo Nusantara Jaya Agri is majority of shareholder (99.98%). This company is RSPO member with membership number 1-0032-07-000-00 on behalf PT Austindo Nusantara Jaya Agri since year 2007.</p>	<p>Yes</p>

<p><i>NOTE 2 : Majority shareholding: the largest shareholding, where the largest shareholdings are equal (e.g. 50/50) this applies to the organisation that has management control.</i></p>		
<p>Does the plan include all subsidiaries, estates and mills?</p> <p><i>As a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership.</i></p> <p><i>Any deviations from this maximum periods requires approval by the RSPO Secretariat.</i></p>	<p>There are 8 management units have been included into the time bound plan. 4 of 8 management units have been certified as follows:</p> <ul style="list-style-type: none"> <li>• PT Austindo Nusantara Jaya Agri</li> <li>• PT Austindo Nusantara Jaya Agri Siais</li> <li>• PT Sahabat Mewah dan Makmur</li> <li>• PT Kayung Agro Lestari</li> <li>• PT Putera Manunggal Perka</li> </ul> <p>See Appendix C.</p>	Yes
<p>Have there been any newly acquired subsidiaries?</p> <p><i>Any new acquisitions shall be certified within a three-year timeframe.</i></p> <p><i>Any deviations from this maximum periods requires approval by the RSPO Secretariat.</i></p>	<p>The company reported 7 management units in ACOP 2015. Then in ACOP 2016, the company has reported 8 management units. The newly acquired subsidiary is PT Pusaka Agro Makmur (one of subsidiary) has merged to PT ANJ Tbk (holding company). See ACOP 2019: <a href="https://rspo.org/members/acop/search?name=PT.+Austindo+Nusantara+Jaya+Agri&amp;member_type=Ordinary&amp;member_category2=opg&amp;acopyear=2019">https://rspo.org/members/acop/search?name=PT.+Austindo+Nusantara+Jaya+Agri&amp;member_type=Ordinary&amp;member_category2=opg&amp;acopyear=2019</a></p> <p>and Sustainability Report 2019: <a href="https://anj-group.com/id/sustainability-report-1">https://anj-group.com/id/sustainability-report-1</a></p>	Yes
<p>Have there been any changes since the last audit? Are they justified?</p>	<p>No changes since last audit, all planned are still under way</p>	Yes
<p>If there have been changes, what circumstances have occurred?</p>	<p>No changes since last audit, all planned are still under way</p>	Yes
<p>Have there been any isolated lapses in implementation of the plan?</p>	<p>There is no isolated laps. The existing 3 Mills and 10 Estates have been certified.</p> <p>PT ANJA has set up a time bound to achieve RSPO certification for all subsidiary companies.</p>	Yes
<p>Have there been any stakeholder comments during assessment to the Company's Time Bound Plan, or to other certified companies under same holding?</p> <p><u>Guidance for Auditor:</u></p> <p><i>Targeted stakeholder consultation may be carried out by the SGS audit team either contacting them by email, phone call, meeting, or other methods.</i></p> <p><i>If this has already been conducted by other certification body(s) either in the company being audited and/or at other certified companies under same holding, Auditor may request for the summary report through the company and consider it as part of this audit.</i></p> <p><i>These must be recorded in this audit report i.e. Section 2.4 and Appendix D and should be part of consideration during this verification process.</i></p>	<p>No stakeholder comment that affect Time bound Plan set up by PT ANJA, in particular to those certified companies.</p> <p>Checked in RSPO website&gt; case tracker, no grievance/complaint are happened for the the Austindo certified companies</p>	Yes
<p><b>Requirements for Un-certified Management Units as per Clause 4.5.4 of RSPO P&amp;C Certification System</b></p> <p><i>Note for Auditor:</i></p> <ul style="list-style-type: none"> <li>▪ Companies should demonstrate compliance by clear evidences of a self-audit (i.e. an internal audit for all subsidiaries, estates and Palm Oil Mills) against each of the RSPO P&amp;C requirements.</li> </ul>		



- Auditor should select sample(s) of un-certified units subsequently review/check the Internal audit results. The minimum sample(s) should follow  $0.8\sqrt{y}$  where  $y$  is number of subsidiaries company. Auditor may increase the number of sample(s) selected if there is a risk and if there are some stakeholder inputs received during assessment.
- The Company is responsible for the area being audited and shall ensure that any necessary corrections and corrective actions are taken without undue delay to eliminate detected non-conformities and their causes. If not then Auditor should consider to raise Major or Minor non-compliances.
- The approach to defining Major and Minor non-compliance is stated in the RSPO P&C certification system. For example, if a non-compliance against a 'major indicator' in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion until that is addressed.
- Failure to address any outstanding non-compliances within uncertified unit(s) regarding the minimum requirements for Un-Certified Management Units may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of the Certification Systems.

Requirement	Findings and any action required	Compliance
<p>Did the company conduct an internal audit? If so, has a positive assurance statement been produced?</p> <p><u>Guidance for Auditor:</u></p> <p>Positive assurance statement, which is based upon self-assessment (i.e. internal audit) by the organisation. This would require evidence of the self-assessment against each RSPO P&amp;C requirement for all un-certified units.</p>	<p>PT ANJA has conducted internal audit for un-certified subsidiaries as follows:</p> <ol style="list-style-type: none"> <li>1. PT Galempa Sejahtera Bersama has been internal audit in 16 – 20 November 2021. Time bound plan is 2022.</li> <li>2. PT Putera Manunggal Perkasa has been internal audit on 06-20 July 2020. Time bound plan is 2020.</li> <li>3. PT Permata Putera Mandiri has been internal audit on 06-20 July 2020. Time bound plan is 2020.</li> <li>4. PT Pusaka Agro Makmur (on 2015 become PT ANJT) has been internal audit in 06-20 July 2020. This company was developing NPP. Time bound plan is 2022.</li> </ol> <p>Positive assurance has been established as per internal audit result.</p>	Yes
<p>Are there any stakeholder comments during assessment to the un-certified companies/management units under same holding?</p> <p><u>Guidance for Auditor:</u></p> <p>Targeted stakeholders including consultation with the relevant NGO's should be carried out by the SGS audit team either contacting them by email, phone call, meeting, or other methods;</p> <p>Carry out Desktop study e.g. web check on relevant complaints;</p> <p>If necessary, the Lead Auditor may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements;</p> <p>If this has already been conducted by other certification body(s) either in the company being audited and/or at other certified companies under same holding, Auditor may request for the summary report through the company and consider it as part of this audit.</p> <p>These must be recorded in this audit report i.e. Section 2.4 and Appendix D and should be part of consideration during this verification process.</p>	<p>There was one case is being recorded in the Investigation &amp; Monitoring Unit (IMU) of RSPO; <a href="https://www.rspo.org/imu/investigation">https://www.rspo.org/imu/investigation</a></p> <p>The RSPO Investigation and Monitoring Unit (IMU) has investigated the allegations that were published on:</p> <p>Global Forest Watch (GFW) Blog – Places to Watch: 3 Forests Experiencing Rapid Clearing Right Now. This article reported illegal land clearing in PT Permata Putra Mandiri (PPM), a subsidiary of PT ANJT.</p> <p>Chain Reaction Research – The Chain: Austindo Nusantara Jaya Subsidiary First to Violate New RSPO Standards on Annex 5: Transition of HCV to HCV-HCS Assessment. This article reported land clearing in PT Putera Manunggal Perkasa (PMP), a subsidiary of PT ANJT.</p> <p>The key findings from the completion of the investigation are:</p> <ol style="list-style-type: none"> <li>a) Inconsistency in landscape conservation and development plans</li> <li>b) Transition from HCV to HCV - HCS assessment with regards to the new RSPO Principles and Criteria (P&amp;C) 2018.</li> </ol> <p>The case was initially recorded on 28 September 2018, and have been going through action and</p>	Yes

	<p>progress between RSPO and PT ANJT with latest progress on 14 December 2018.</p> <p>The IMU officially communicate key findings and action plan for the PT ANJT to implement for the next three months from 14 December 2018. Any unsatisfactory implementation of the above-mentioned action plans could result in the case being lodged as a formal complaint by the Secretariat as per the RSPO Complaints and Appeal Procedures.</p> <p>The investigation status is transferred to Post Investigation Monitoring.</p> <p>The auditor is made aware and will follow whichever progress or decision made on this case by RSPO Secretariat office.</p> <p>One complaint was being lodged in RSPO Complaint tracker website on 17 April 2012.</p> <p>The complaint was submitted by International Animal Rescue Foundation (IARF) pertaining allegation of harmong Orangutans and other inhabitants that are living in the area of West Kalimantan; Illegal logging and the use of snares to catch the Orangutans; Illegal use of 60 snares to catch bores and deer along with Orangutans in the 400 Ha forest located in Pelangsi, Kuala Santung.</p> <p>However, the case was closed on 07 December 2012 because the complainant failed to provide enough evidence to be investigated by RSPO.</p> <p>Last communication and letter from RSPO on 24 May 2019, the IMU has decided to close the Post-Investigation Monitoring for PT ANJ. For more information on this monitoring, please refer to the IMU webpage (<a href="https://www.rspo.org/imu/monitoring/postinvestigation-monitoring">https://www.rspo.org/imu/monitoring/postinvestigation-monitoring</a>).</p>	
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul> <p><u>Guidance for Auditor:</u></p> <p><i>If this cases occur in one or more of company's un-certified units, the following shall be checked and verified:</i></p> <ul style="list-style-type: none"> <li>- Action Plan (with details steps and time line to fulfill)</li> <li>- Does company follow the latest requirements of LUCA and RaCP procedures?</li> </ul>	<p>Based on internal audit for un-certified subsidiaries, several information were reviewed as follows:</p> <ol style="list-style-type: none"> <li>1. PT Galempa Sejahtera Bersama reported NPP and it was verified by CB in 2014. Currently, this company was conducting land acquisition.</li> <li>2. PT Putera Manunggal Perkasa reported NPP and it was verified by CB in 2014. Currently, this company was conducting land acquisition.</li> <li>3. PT Permata Putera Mandiri reported NPP and it was verified by CB in 2014. Currently, this company was conducting land acquisition.</li> <li>4. PT Pusaka Agro Makmur (on 2015 become PT ANJT) was developing NPP and verified by the CB in June 2017. The HCV report was being reviewed by licensed HCV assessor.</li> </ol>	Yes
<p>Any new plantings since January 1<sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.</p>	<p>See above explanation. Some un-certified units has been followed NPP mechanism</p>	Yes
<p>Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance</p>	<p>PT ANJA has provided the procedure for "Penyelesaian Sengketa Lahan" (land dispute resolution) # 021A/HR&amp;GA/CP regarding land</p>	Yes

<p>procedure or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6.</p> <p><u>Guidance for Auditor:</u></p> <p>To check the as to whether this cases found during Internal audit at company's uncertified units.</p> <p>Auditor should also checked in RSPO Complaint tracker in RSPO website as one of the following links:</p> <p><a href="http://www.rspo.org/">http://www.rspo.org/</a></p> <p><a href="http://www.rspo.org/members/status-of-complaints/">http://www.rspo.org/members/status-of-complaints/</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility">http://www.rspo.org/members/dispute-settlement-facility</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes">http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes</a></p> <p>As addition to check is to search in the public court documents which available online. Some countries may not available due to restriction rules.</p>	<p>acquisition. PT Austindo Nusantara Jaya Agri already has a procedure to resolve grievance if any (SOP-Leg-03)</p> <p>There is no significant land conflict based on interviewed with Sustainability Compliance Manager and browsing internet.</p> <p>One complaint was being lodged in RSPO Complaint tracker website on 17 April 2012.</p> <p>The complaint was submitted by International Animal Rescue Foundation (IARF) pertaining allegation of harmong Orangutans and other inhabitants that are living in the area of West Kalimantan; Illegal logging and the use of snares to catch the Orangutans; Illegal use of 60 snares to catch bores and deer along with Orangutans in the 400 Ha forest located in Pelangsi, Kuala Santung.</p> <p>However, the case was closed on 07 December 2012 because the complainant failed to provide enough evidence to be investigated by RSPO.</p>	
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p> <p><u>Guidance for Auditor:</u></p> <p>To check the as to whether this cases found during Internal audit at company's uncertified units.</p> <p>Auditor should also checked in RSPO Complaint tracker in RSPO website as one of the following links:</p> <p><a href="http://www.rspo.org/">http://www.rspo.org/</a></p> <p><a href="http://www.rspo.org/members/status-of-complaints/">http://www.rspo.org/members/status-of-complaints/</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility">http://www.rspo.org/members/dispute-settlement-facility</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes">http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes</a></p> <p>As addition to check is to search in the public court documents which available online. Some countries may not available due to restriction rules.</p>	<p>No labour disputes. PT Austindo Nusantara Jaya Agri already has a procedure to resolve grievance if any (SOP-Leg-03).</p>	Yes
<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1</p> <p><u>Guidance for Auditor:</u></p> <p>To check the as to whether this cases found during Internal audit at company's uncertified units.</p> <p>Auditor should also checked in RSPO Complaint tracker in RSPO website as one of the following links:</p> <p><a href="http://www.rspo.org/">http://www.rspo.org/</a></p> <p><a href="http://www.rspo.org/members/status-of-complaints/">http://www.rspo.org/members/status-of-complaints/</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility">http://www.rspo.org/members/dispute-settlement-facility</a></p> <p><a href="http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes">http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes</a></p> <p>As addition to check is to search in the public court documents which available online. Some countries may not available due to restriction rules.</p>	<p>Based on internal audit, browsing internet and interview with SPO team, there was not significant issue of legal compliance for un-certified subsidiaries.</p> <p>They have complied with Act # 39/2014 regarding Plantation (<i>Perkebunan</i>).</p>	Yes
<p>If there is any non-compliance on the Un-certified Units of the Company being audited, does this Company is recommended to continue to be RSPO Certified?</p>	<p>Last communication and letter from RSPO on 24 May 2019, the IMU has decided to close the Post-Investigation Monitoring for PT ANJ. For more information on this monitoring, please refer to the IMU webpage</p>	Yes

An email may send to RSPO to check and confirm for a possible concension approval.

(<https://www.rspo.org/imu/monitoring/postinvestigation-monitoring>).

## 2. ASSESSMENT PROCESS

### 2.1 Certification Body

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 90,000 employees, SGS operates a network of over 2,000 offices and laboratories around the world.

The RSPO Programme is the SGS RSPO Certification Programme internationally accredited by the ASI GmbH to carry out RSPO P&C and RSPO SCC certifications with worldwide geographical scopes.

### 2.2 Assessment Methodology, Programme, Site Visits

The assessment was conducted in 12 audit days and involving East Estate, Central Estate and West Estate of PT Austindo Nusantara Jaya Agri-Binanga Mill. The audit covers documentation review, internal procedures, management system, field inspection as well as identification of any significant issues for both environment or social issues. A sample of stakeholders was consulted during the assessment to get their feedback on the management practices.

The assessment was conducted based on random samples and therefore nonconformities may exist which have not been identified. The methodology for objective evidence collection included physical site inspection, observation of tasks and processes, interview with workers, families and stakeholders, documentation review and monitoring data.

The assessment program is included as shown in Table 6 below.

**Table 6: Assessment Program**

#### Onsite Audit on 11 – 16 July 2022:

Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact
<b>Monday</b> 11/07/2022	06.00	All	Travelling : Jakarta to Sibolga : (Batik Air ID 6886 + Wings Air IW 1258)	Relevant personnel
	12.00	All	Arrival Sibolga Continue Traveling to PT. Austindo Nusantara Jaya Agri – Binanga Mill.	Relevant personnel
	17.00	All	Arrival PT. Austindo Nusantara Jaya Agri – Binanga Mill location	

Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact
<b>Tuesday</b> 12/07/2022	08.00	All	<p><b>Opening Meeting</b></p> <p><b>Review document and record : Binanga Mill</b></p> <ul style="list-style-type: none"> <li>• Management and Monitoring Programs (Criterion 3.1 &amp; 3.2), SOP's (Criterion 3.3), Training (Criterion 3.7), POM Supply Chain (Criterion 3.8), IPM (Criterion 7.1), Pesticide Application (Criterion 7.2), Soil Fertility (Criterion 7.4), Soil Conservation (Criterion 7.5), Soil Survey (Criterion 7.6), Peat Management (Criterion 7.7). <b>By Auditor A</b></li> <li>• Behave Ethically and Transparently (Criterion 1.1 &amp; 1.2), Compliance Regulations (Criterion 2.1 - 2.3), Employment Procedures (Criterion 3.5), Respect community &amp; Human rights (Criterion 4.1 - 4.8), Respect Workers Rights and Conditions (Criterion 6.1 - 6.6), &amp; Partial certification. <b>By Auditor B</b></li> <li>• SEIA (Criterion 3.4), H&amp;S Plan (Criterion 3.6), Smallholder inclusion (Criterion 5.1 - 5.2), H&amp;S implementation (Criterion 6.7), Waste Management (Criterion 7.3), Water Conservations (Criterion 7.8), Optimize Renewal Energy (Criterion 7.9), GHG (Criterion 7.10), Fire Prevention (Criterion 7.11), HCV &amp; HCS (Criterion 7.12). <b>By Auditor C</b></li> </ul>	Relevant personnel
	12.00.	All	Break and Lunch	-
	14.00	All	<p><u>Mill Visit : Binanga Mill</u></p> <ul style="list-style-type: none"> <li>• Mill Operational Best Practices, interview with workers, OSH Implementation &amp; Verification of Supply Chain. <b>(Auditor A)</b></li> <li>• Stakeholders consultation : Contractors and Smallholders (KKPA), housing, workers amenities ( Clinic, Creche and others). <b>(Auditor B)</b></li> <li>• Waste water pond, land application (If any), hazardous waste storage, environmental management and monitoring. <b>(Auditor C)</b></li> </ul>	Management Representative, gender committee, union labor and other relevant personnel.
	17.00	All	End of 1 <sup>st</sup> day audit	
<b>Wednesday</b> 13/07/2022	08.00	A	<p><u>Field Visit : East Estate</u></p> <p>Land Clearing, Planting / Re-planting inspection, Herbicide (spraying) and fertilizer application, FFB harvesting, FFB loading, IPM, road maintenance, Chemical &amp; Fertilizer warehouse, etc.</p>	Relevant personnel
		B	<p><u>Field Visit : East Estate</u></p> <ul style="list-style-type: none"> <li>• Stakeholders Consultation : Dinas Lingkungan Hidup, dinas Tenaga Kerja, Dinas Perkebunan, Surround communities &amp; Previous land owner.</li> <li>• Housing, workers amenities ( Clinic, Crehce and others).</li> </ul>	Relevant personnel
		C	<p><u>Field Visit : East Estate</u></p> <ul style="list-style-type: none"> <li>• Stakeholders Consultation : Smallholders.</li> <li>• Riparian/buffer zone, HCV, landfill (Waste Management), workers OSH, hazardous waste storage (TPS LB3), Land Application, Workshop, Etc.</li> </ul>	Relevant personnel
	12.00	All	Break and Lunch	

Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact
	14.00	All	<p><b>Review document and record : East Estate</b></p> <ul style="list-style-type: none"> <li>• Management and Monitoring Programs (Criterion 3.1 &amp; 3.2), SOP's (Criterion 3.3), Training (Criterion 3.7), POM Supply Chain (Criterion 3.8), IPM (Criterion 7.1), Pesticide Application (Criterion 7.2), Soil Fertility (Criterion 7.4), Soil Conservation (Criterion 7.5), Soil Survey (Criterion 7.6), Peat Management (Criterion 7.7). <b>By Auditor A</b></li> <li>• Behave Ethically and Transparently (Criterion 1.1 &amp; 1.2), Compliance Regulations (Criterion 2.1 - 2.3), Employment Procedures (Criterion 3.5), Respect community &amp; Human rights (Criterion 4.1 - 4.8), Respect Workers Rights and Conditions (Criterion 6.1 - 6.6), &amp; Partial certification. <b>By Auditor B</b></li> <li>• SEIA (Criterion 3.4), H&amp;S Plan (Criterion 3.6), Smallholder inclusion (Criterion 5.1 - 5.2), H&amp;S implementation (Criterion 6.7), Waste Management (Criterion 7.3), Water Conservations (Criterion 7.8), Optimize Renewal Energy (Criterion 7.9), GHG (Criterion 7.10), Fire Prevention (Criterion 7.11), HCV &amp; HCS (Criterion 7.12). <b>By Auditor C</b></li> </ul>	Relevant personnel
	17.00	All	End of 2 <sup>nd</sup> day audit	
<b>Thursday</b> 14/07/2022	08.00	A	<p><b>Field Visit : Central Estate</b></p> <p>Land Clearing, Planting / Re-planting inspection, Herbicide (spraying) and fertilizer application, FFB harvesting, FFB loading, IPM, road maintenance, Chemical &amp; Fertilizer warehouse, etc.</p>	Relevant personnel
		B	<p><b>Field Visit : Central Estate</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Consultation : Dinas Lingkungan Hidup, dinas Tenaga Kerja, Dinas Perkebunan, Surround communities &amp; Previous land owner.</li> <li>• Housing, workers amenities ( Clinic, Crehce and others).</li> </ul>	Relevant personnel
		C	<p><b>Field Visit : Central Estate</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Consultation : Smallholders.</li> <li>• Riparian/buffer zone, HCV, landfill (Waste Management), workers OSH, hazardous waste storage (TPS LB3), Land Application, Workshop, Etc.</li> </ul>	Relevant personnel
	12.00	All	Break and Lunch	-
	14.00	All	<p><b>Review document and record : Central Estate</b></p> <ul style="list-style-type: none"> <li>• Management and Monitoring Programs (Criterion 3.1 &amp; 3.2), SOP's (Criterion 3.3), Training (Criterion 3.7), POM Supply Chain (Criterion 3.8), IPM (Criterion 7.1), Pesticide Application (Criterion 7.2), Soil Fertility (Criterion 7.4), Soil Conservation (Criterion 7.5), Soil Survey (Criterion 7.6), Peat Management (Criterion 7.7). <b>By Auditor A</b></li> <li>• Behave Ethically and Transparently (Criterion 1.1 &amp; 1.2), Compliance Regulations (Criterion 2.1 - 2.3), Employment Procedures (Criterion 3.5), Respect community &amp; Human rights (Criterion 4.1 - 4.8), Respect Workers Rights and Conditions (Criterion 6.1 - 6.6), &amp; Partial certification. <b>By Auditor B</b></li> <li>• SEIA (Criterion 3.4), H&amp;S Plan (Criterion 3.6), Smallholder inclusion (Criterion 5.1 - 5.2), H&amp;S implementation (Criterion 6.7), Waste Management (Criterion 7.3), Water Conservations (Criterion 7.8), Optimize Renewal Energy (Criterion 7.9), GHG</li> </ul>	Relevant personnel

Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact
			(Criterion 7.10), Fire Prevention (Criterion 7.11), HCV & HCS (Criterion 7.12). <b>By Auditor C</b>	
	17.00	All	End of 3 <sup>rd</sup> day audit	-
<b>Friday</b> 15/07/2022	08.00	A	<b>Field Visit : West Estate</b> Land Clearing, Planting / Re-planting inspection, Herbicide (spraying) and fertilizer application, FFB harvesting, FFB loading, IPM, road maintenance, Chemical & Fertilizer warehouse, etc.	Relevant personnel
		B	<b>Field Visit : West Estate</b> <ul style="list-style-type: none"> <li>Stakeholders Consultation : Dinas Lingkungan Hidup, dinas Tenaga Kerja, Dinas Perkebunan, Surround communities &amp; Previous land owner.</li> <li>Housing, workers amenities ( Clinic, Crehce and others).</li> </ul>	Relevant personnel
		C	<b>Field Visit : West Estate</b> <ul style="list-style-type: none"> <li>Stakeholders Consultation : Smallholders.</li> <li>Riparian/buffer zone, HCV, landfill (Waste Management), workers OSH, hazardous waste storage (TPS LB3), Land Application, Workshop, Etc.</li> </ul>	Relevant personnel
	12.00	All	Break and Lunch	
	14.00	All	<b>Review document and record : West Estate</b> <ul style="list-style-type: none"> <li>Management and Monitoring Programs (Criterion 3.1 &amp; 3.2), SOP's (Criterion 3.3), Training (Criterion 3.7), POM Supply Chain (Criterion 3.8), IPM (Criterion 7.1), Pesticide Application (Criterion 7.2), Soil Fertility (Criterion 7.4), Soil Conservation (Criterion 7.5), Soil Survey (Criterion 7.6), Peat Management (Criterion 7.7). <b>By Auditor A</b></li> <li>Behave Ethically and Transparently (Criterion 1.1 &amp; 1.2), Compliance Regulations (Criterion 2.1 - 2.3), Employment Procedures (Criterion 3.5), Respect community &amp; Human rights (Criterion 4.1 - 4.8), Respect Workers Rights and Conditions (Criterion 6.1 - 6.6), &amp; Partial certification. <b>By Auditor B</b></li> <li>SEIA (Criterion 3.4), H&amp;S Plan (Criterion 3.6), Smallholder inclusion (Criterion 5.1 - 5.2), H&amp;S implementation (Criterion 6.7), Waste Management (Criterion 7.3), Water Conservations (Criterion 7.8), Optimize Renewal Energy (Criterion 7.9), GHG (Criterion 7.10), Fire Prevention (Criterion 7.11), HCV &amp; HCS (Criterion 7.12). <b>By Auditor C</b></li> </ul>	Relevant personnel
	15.00	All	Prepare Closing Meeting	
	16.00	All	Closing Meeting	Management Representative, gender committee, union labor and other relevant personnel.

Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact
	17.00	All	End of Recertification audit. Continue traveling to Padang sidempuan, stay overnight at padang Sidempuan	
<b>Saturday</b> 16/07/2022	08.00	All	Traveling to Pinangsori Airport (Dr. Ferdinand Lumban Tobing Airport)	Relevant personnel
	11.55	All	Traveling : Pinangsori Airport to Medan (Wings Air IW-1259)	-
	16.45	All	Traveling : Medan to Jakarta (Garuda Air GA-1259)	Relevant personnel

### 2.3 Qualification of Lead Assessor and Assessment Team

PT SGS Indonesia holds copies of educational qualifications, certificates and audit logs for each of the audit team members. SGS has evaluated the qualifications and experience of each audit team member and has registered the following designations for conducting RSPO Assessment. Summary of auditors' educational background and experience are listed in Table 7 below.

**Table 7: Auditors Profile**

Evaluation Team	Notes
<b>Team Leader</b>	Sansan Suhendar, he has a Bachelor Degree of Forestry from Bogor Agricultural University. He has 6 years working experiences in oil palm plantation sector in Indonesia. He has completed training on ISO 9001, ISO 14001, SMK3, AK3U, ISO 45001, RSPO P&C, and ISPO Lead Auditor Course. He has involved in a number of RSPO and ISPO audits in Indonesia.
<b>Auditor 1</b>	Yudi Utomo, he has a Bachelor Degree of Forestry from Bogor Agricultural University. He has 6 years working experiences in oil palm plantation and forestry sector in Indonesia. He has completed training on ISO 9001, ISO 14001, ISO 45001, RSPO P&C, RSPO SCCS and ISPO Lead Auditor Course. He has involved in a number of RSPO and ISPO audits in Indonesia.
<b>Auditor 2</b>	Irham Zadani, Bachelor Degree of Agriculture from Padjadjaran University. He has 8 years working experience in oil palm plantation sector in Indonesia. He has completed training on ISO 9001 lead auditor, RSPO & ISPO Lead Auditor course. He has involved in a number of RSPO and ISPO audits in Indonesia.

### 2.4 Stakeholder Consultation and List of Stakeholders Contacted

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone and email to arrange meetings at a location convenient to them to discuss PT ANJA Certification Unit's environmental and social performance.

Meetings were 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. These included environmental interest groups, local government agencies and relevant authorities, previous land owner, local communities groups, and workers' unions etc. At the start of each meeting, 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 auditor/interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the



field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities and previous land owner to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted with detail comments is included in **Appendix D**.

### 3. ASSESSMENT FINDINGS

#### 3.1 Summary of Findings

As outlined, objective evidence was obtained separately for each of the RSPO Indicators and criterion for the mills and estates. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the RSPO indicators in order to support the findings of the assessment team.

There is 1 (one) Critical / Major nonconformities and 1 (one) Non-Critical / Minor nonconformities identified during this assessment. Some areas identified with potential areas for improvement has led into 6 (six) Observations raised. Details for each Non-conformities and observations are given in **Appendix A**. Critical / Major nonconformities has been closed out within the period of 90 days after the Closing meeting date. Non-Critical / Minor nonconformities and Observations will be followed up during the next Annual Surveillance Audit which is scheduled to be conducted within the period of twelve months of issuance date of certification or within Palm Trace license.

Principle 1: Behave Ethically and Transparently						
Criterion 1.1: The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.						
1.1.1	<b>Management documents that are specified in the RSPO P&amp;C are made publicly available.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The unit of certification (Binanga Palm Oil Mill with supply based East Estate, Central Estate and West Estate, has the list of documents which is publicly available which can be accessed by stakeholders upon request (see documents of Internal Memo, No. 003/GM/ANJA-BNG/IM/I-2020, January 05, 2020; <i>Dokumen Publik ANJA</i>, update March 2022), which is an update from previous audit.</p> <p>There are list of documents stated as publicly available based on procedure <i>Komunikasi dan Pemberian Informasi</i> No. SOP-Leg-02, Rev. 04, September 01, 2015, signed External Affair Director. Documents among others are:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Safety and health plan (Criterion 4.7);</li> <li>• Plans and impact assessment relating to environmental and social impacts (Criterion 5.1, 6.1, 7.1, 7.8);</li> <li>• HCV documentation (Criterion 5.2 and 7.3);</li> <li>• Pollution Prevention and Reduction Plans (Criterion 5.6);</li> <li>• Details of complaints and Grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report; and</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>Based on the procedure, external affair officer is responsible to receiving, providing and updating information from and to stakeholders.</p>					
1.1.2	<b>Information is provided in appropriate languages and accessible to relevant stakeholders.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		

<b>Objective evidence:</b>	<p>All information and public documents referred to indicator 1.1.1 available in Bahasa Indonesia, and can be accessed by public upon request.</p> <p>Based on interview with stakeholders, they aware of the type of information available and how to get access to the information based on procedure mentioned in indicator 1.1.1. The procedure itself has been socialized to relevant stakeholders on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation).</p> <p>Based on audit evidence, type of information which provided by the unit of certification to the stakeholders is</p> <ul style="list-style-type: none"> <li>• Fire prevention and control system report to the Forest Management UPT of North Sumatra Province, 12 January 2022.</li> <li>• Management and monitoring report of High Conservation Value Areas to the BKSDA of North Sumatra Province, 31 January 2022.</li> <li>• LB3 management report for the period of January s.d March 2022 to DLH Padang Lawas Utara Regency, 11 April 2022.</li> </ul>			
<b>1.1.3</b>	<b>Records of requests for information and responses are maintained.</b>			<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	<p>To ensure constructive response to stakeholders, the unit of certification have an procedure of <i>Komunikasi dan Pemberian Informasi</i> No. SOP-Leg-02, Rev. 04, September 01, 2015, signed External Affair Director. In this procedure, external affair officer is the PIC who responsible to receiving and responding request, providing and updating information from and to stakeholders. Request for information will be response maximum 90 days.</p> <p>The record of request for information and responses recorded in logbook <i>Komunikasi dan Pemberian Informasi Eksternal</i>. Based on review of the logbook, the unit of certification has responded all information requests on time. For example requested information from Langkimat Village on January 18 2020 and response by company on January 19, 2020 by approving request.</p>			
<b>1.1.4</b>	<b>Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by a nominated management official.</b>			<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	<p>The unit of certification has procedure for consultation and communication between the company and relevant stakeholders i.e. <i>Komunikasi dan Pemberian Informasi</i> No. SOP-Leg-02, Rev. 04, September 01, 2015, signed External Affair Director. The procedure incorporated principles of FPIC approach, available in Bahasa Indonesia and has been communicated to relevant stakeholders on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation).</p> <p>In this procedure, external affair officer is the PIC who responsible for communication and consultation with relevan stakeholders.</p> <p>Based on interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village, confirmed they aware of establish procedure and know how to contact officer by phone or official letter. Input from stakeholders recorded and used to improvement the procedure.</p>			
<b>1.1.5</b>	<b>An up-to-date list of contacts and detailed stakeholder information is available along with designated representatives.</b>			<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	<p>The unit of certification has an up-to-date list of stakeholders updated from previous year (see document of <i>Daftar Stakeholders PT ANJA Binanga, January 2022</i>). The list includes information the name of stakeholder, contact person, address, phone number, type of relation with company, for examples <i>Pemerintah Provinsi Sumatera Utara; Pemerintah Kabupaten Padang Lawas Utara; Dinas Kehutanan dan Perkebunan Kabupaten Padang Lawas Utara; Head of Simangambat District; Head of Tobing Jae Village; Labor Union (SPSI) Simangambat; Sumatera Tenggara Pos; FFB supplier Langkimat, etc.</i></p> <p>Based of verification with several stakeholders mentioned above, confirmed the listed contacts exist.</p>			
<b>Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and business transactions.</b>				

<b>1.2.1</b>	<b>A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The unit of certification has a code of ethical conduct policy in all operations and transactions, including recruitment and contracts recorded in <i>Kebijakan Keberlanjutan ANJ, signed by President Director, Issued October 31, 2019.</i></p> <p>The policy included conducting business with integrity, fairness and ethical; do not offer or accept bribes or receive prizes in doing business; doing healthy competition and honest; and committed to compliance laws.</p> <p>a. The policy has been communicated to to all levels of the workforce and operations, including contracted third parties and relevan stakeholders on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation).</p>				
<b>1.2.2</b>	<b>A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>To monitor compliance and implementation code of ethical conduct policy, the unit of certification has a system which are called Whistleblowing System (WBS) which has been implemented since 2016. In addition, the unit of certification also has internal audit system which is held annually to monitor compliance and implementation code of ethical conduct.</p> <p>The systems effectivelly implemeted concluded from interview with workers and document review which confirmed no issues regarding illegal payment (bribery) when they are recruited (for examples).</p>				

## Principle 2: Operate Legally and Respect Rights

### Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.

<b>2.1.1</b>	<b>The unit of certification complies to relevant regulations.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The unit of certification has a list of legal requirement which is updated ever year (see documents of <i>Daftar Peraturan Perundang-Undangan PT ANJ Agri, July 05, 2022</i>, signed by General Manager. This document updated from the previous year).</p> <p>Based on document review, every regulation in the list is relevan, and the unit of certification compliance to the regulation, e.g.:</p> <ul style="list-style-type: none"> <li>Government Regulation No. 27/1999 (Environmental Impact Assessment) with evidence is the company has obtained approval of EIA based on the Ministry of Agriculture No. 08/AMDAL/RKLRPL/BA/III/1998 dated 03 November 1998.</li> <li>Law No.17/2004 (Kyoto protocol on climate change) with evidence is the company has obtained the ISCC Certification with current certificate no.EU-ISCC-Cert-DE129-35186923 validity period 2 November 2016 until 01 November 2017 which relates to monitoring emissions.</li> <li>Government Regulation No. 41/1999 (Emission Control) and Decree of Environmental Agency No.KEP-205/BAPEDAL/07/1996 (Static Emission) with evidence is the company has conducted air pollution control and emission control periodically every six months at the mill.</li> <li>Government Regulation No. 74/2001 (Management of Hazardous Substance) with evidence is the company have safety instruction management of chemicals (SOP-AGR-19), pesticides and management (SOP-AGR-18), weed control (SOP-AGR-17) and IPM (SOP-AGR-20).</li> <li>Government Regulation No. 101/2014 (Permit for Chemical and Hazardous Substances Storage) with evidence is hold hazardous storage permit from environmental agency of Padang Lawas District no.503/009/B3/VII/2014 valid until year 2019 (stored for maximum 90 days). Moreover, the company have MoU with hazardous waste collector (PT Amindy Barokah) date on 24 June 2017 for used container of pesticide chemicals, expired chemicals, used oil, TL lamp, used battery, medical waste and laboratory used and valid until 24 June 2018.</li> <li>Law No. 5/1960 (Land Legacy) and Governor Regulation No.16/2004 (Land Management) with some evidences are the company has Land Use Right.</li> <li>Law No.18 year 2004 (Estates and Mill) with some evidence is the company has Plantation Business/Operational Permit (IUP) such as No.503/0004/IUP/I/2013 for Palm Oil Mill, No. 105/HK.350/SK/Dj/BUN/10.97/1997 for area 6,000 ha, No.525/472/K/2005 for area 3,214.90 ha,</li> </ul>				

	<p>and No.525.26/9541/2007 for area 238.69 ha. Moreover, the company has got approval for change of plantation type from rubber (5,500 ha) &amp; cocoa (2,500 ha) to oil palm (6,000 ha) on the land bank of 10,000 ha from Minister of Agriculture (c.q Direktorat of Jenderal of Plantation) on the letter No.HK.350/E4.162/04.88 dated 11 April 1988 jo no.HK.350/E4.616/07.91 dated 23 July 1991.</p> <ul style="list-style-type: none"> <li>Ministry of Agriculture Decree No.17/Permentan/OT.14/2010 (Guidelines For Assessment Of Plantation Business) with evidence is head of plantation department decree on North Sumatera Province regarding plantation category on behalf the company is Class I.</li> <li>Law No. 41/1999 (Forestry) with evidence is management and monitoring of HCV and buffer zone (SOP No.SOP-SCD-02).</li> <li>Law No. 32/2009 (Fundamental Rules on Environmental Protection) with evidence is the company has implemented the law into the SOP/Procedure concerning land clearing with zero burning (SOPAGR-03), marginal land management (SOP-AGR-06), soil and water conservation (SOP-AGR-05), management of HCV and buffer zone (SOP-SCD-02), peat land management (SOP-AGR-04), etc.</li> </ul>						
<b>2.1.2</b>	<p><b>A documented system for ensuring legal compliance is in place. This system has means to track changes to the law and also includes listing and evidence on evaluation of legal compliance of all contracted third parties, such as: recruitment agencies, service provider and labour contractor.</b></p>	<i>Non-Critical</i>					
<b>Findings</b>	<table border="1" style="width: 100%;"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:		
In compliance:	Yes:	X	No:				
<b>Objective evidence:</b>	<p>To ensure legal compliance is in place, the unit of certification assign Legal Department to conducting identification, verification and registered all legal and other requirements based on <i>SOP Evaluasi Pemenuhan Peraturan</i> No. SOP-Leg-01, Rev. 03, March 30, 2015, signed by External Affairs Director.</p> <p>The procedure make sure available comprehensive list of international, national, sub-national and provincial laws which details the requirements of specific to the mill and estate operations.</p> <p>Update regulation conducting by identification of legal through newspapers, internet access and others source. Update recorded in document of <i>Laporan Evaluasi Pemenuhan Peraturan Tahun 2022</i>, July 05, 2022, signed by General Manager.</p> <p>To verified and assessed legal compliance, the team communicate with relevant function in mill and estate and field check, e.g. check on PKO and CPO transport contractors which include driving license, legal organization, tax identification numbers, and transport permits.</p>						
<b>2.1.3</b>	<p><b>Legal or authorized boundaries are clearly demarcated and visibly maintained and there is no planting beyond these legal or authorized boundaries.</b></p>	<i>Non-Critical</i>					
<b>Findings</b>	<table border="1" style="width: 100%;"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:		
In compliance:	Yes:	X	No:				
<b>Objective evidence:</b>	<p>The UoC has a map for boundary demarcation (see Map of <i>Peta Patok BPN PT ANJA</i>), and conducting boundary maintenance twice a year which recorded in document of <i>Berita Acara Pemeriksaan dan Perawatan Patok BPN</i>, March 17, 2022 (for last monitoring).</p> <p>Based on field observation at Central Estate, Block 137, there is found boundary poles in good condition and can be seen from a distance of 10 meters. No planting beyond these legal boundaries. The coordinates listed on the HGU poles map also match to the exact coordinates.</p>						

<b>Criterion 2.2: All contractors providing operational service and supplying labour, and Fresh Fruit Bunch (FFB), comply with relevant legal requirements.</b>							
<b>2.2.1</b>	<p><b>A list of contracted parties is maintained.</b></p>	<i>Non-Critical</i>					
<b>Findings</b>	<table border="1" style="width: 100%;"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:		
In compliance:	Yes:	X	No:				
<b>Objective evidence:</b>	<p>The unit of certification (estate and mill) has maintained a list of contractors who works for them. The list recorded in document of <i>Daftar Nama Vendor dan Kontraktor ANJA</i>, March 14, 2022, which described operational services of the contractors such as FFBs' transporter, CPO &amp; PK transporter, road maintenance, replanting, etc. The list consist of name of contract holder, location, contract number, job title, phone number and contract period.</p> <p>Based on review of contractual agreement (see contract documents No. 21-GM/ANJA-BNG/SPK/Pancang Tanam/I/2022; No. 43-GM/ANJA-BNG/SPK/Isi dan Susun Baby Bag MB/III/2022; No. 0407/ENG/ANJA/2021), and interview with contractor workers, the type of contract that exist is a renewable contract, and contractors employ temporary worker.</p>						

	<p>The unit of certification also has maintain a list of FFB supplier (see document of <i>Daftar Supplier TBS PT ANJA Binanga Tahun 2022</i>, February 10, 2022). There is six suppliers in the list complete with name of contract holder, location, contract number, job title, phone number and contract period.</p> <p>To ensure that compliance is met by the contractors, the unit of certification has evaluated contractors performace using form of <i>Evaluasi Penilaian Kontraktor</i>, which consist of safety obligation, ediquate working equipment, time management, quality management, supervision, housekeeping, etc. Evaluation conducting annually (for example, see evaluation document for PT Hasbi Putra Pratama contractor July 27, 2022, PT Harapan Raja Persada contractor July 27, 2022, and PT Gunung Mulia contractor July 27, 2022).</p>					
<b>2.2.2</b>	<b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on documents review of the contractor listed in indicator 2.2.1, there are contractual agreements contain specific clauses that comply with legal requirements, such as contract period, job location, contract value and tax, payment, contract discontinuance, penalty, manpower, job equipment, worker protection, legal requirements and ethical business, force majeure, confidentiality, communication and consultation, and complaint resolution (see contractual agreement No. 21-GM/ANJA-BNG/SPK/Pancang Tanam/I/2022; No. 43-GM/ANJA-BNG/SPK/Isi dan Susun Baby Bag MB/III/2022; No. 0407/ENG/ANJA/2021).</p> <p>To ensure that compliance is met by the contractors, the unit of certification has evaluated contractors performace which has been described in the indicator 2.2.1.</p>					
<b>2.2.3</b>	<b>All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Contractual agreement mentioned in indicators 2.2.1 and 2.2.2 contained specific clauses about disallowing child, forced and trafficked labour.</p> <p>Based on interview with contractor workers, confirmed there is no child labor and no forced and trafficked labor in the plantation and mill operation.</p> <p>To ensure that compliance is met by the contractors, the unit of certification has evaluated contractors performace which has been described in the indicator 2.2.1.</p>					
<b>Criterion 2.3: All FFB supplies from outside of the unit of certification are from legal sources.</b>						
<b>2.3.1</b>	<b>For all directly sourced FFB, the mill requires:</b>					<i>Critical</i>
	<ul style="list-style-type: none"> <li>• Information regarding the geolocation of FFB origins;</li> <li>• Proof of ownership status, right/claim of the land by grower/smallholder;</li> <li>• If relevant, valid planting/operational/trading license, or is part of a cooperative which allows the buying and selling of FFB.</li> </ul>					
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The unit of certification Binanga Mill receive directly FFB from three owned estates i.e. East Estate, Center Estate and West Estate. All estates had adequate documented information in relation to land tenure document (Indicator 4.4.1), geo location (table.1) and operational permit (Indicator 2.1.1).</p>					
<b>2.3.2</b>	<b>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in indicator 2.3.1</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The unit of certification Binanga Mill also received indirecly FFB from six third parties supplier (see document of <i>Daftar Supplier TBS PT ANJA Binanga Tahun 2022</i>, February 10, 2022, signed by Commercial Staff).</p> <p>All supplier completed with documents of ownership status of the land, contractual agreement, geo location and operational permit.</p>					

**Principle 3: Optimise Productivity, Efficiency, Positive Impacts and Resilience**

**Criterion 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	<b>A business or management plan (minimum of three years) is documented and where applicable, includes a jointly developed business case for Scheme Smallholders.</b>	<i>Critical</i>																					
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
Objective evidence:	<p>Company has financial projection period of 2021 – 2025, as follows:</p> <ul style="list-style-type: none"> <li>Basic Information: planting program (new planting &amp; replanting), total areas (mature &amp; immature), FFB production from internal (estate) &amp; external, yield (tonnes/ha), yield standard, extraction of CPO &amp; PK (internal (estate) &amp; external), CPO &amp; PK production (internal (estate) &amp; external), sale of CPO &amp; PK (tonnes), price of CPO &amp; PK (USD), opening &amp; closing stock CPO &amp; PK.</li> <li>Income Statement: sale of CPO &amp; PK (USD) selling expenses, FFB purchase, estate expenses (field work, harvesting &amp; transport, general changes ex-medan, general changes estate), oil mill expenses (processing, mill administration cost) &amp; inventory adjustment, operation profit, head office expenses, depreciation of medan office, other income/expense, exchange gain/loss, profit before interest, financial charges, profit before tax, profit after tax.</li> <li>Cashflow: profit after tax, plus depreciation, working capital &amp; interest expense, corporate tax, estate capital (machinery, field development expenditure, housing and building, road and bridges, water &amp; power, vehicle and heavy equipment, furniture &amp; fitting &amp; office equipment), palm oil mill, medan office capital expenditure, construction in progress, total capex, shareholders loan repayment, dividend, capital withdrawal/injection, investment in subsidiaries, bank loan, payment related to plasma, interest payment, net cash flow, opening balance &amp; closing balance.</li> </ul>																						
3.1.2	<b>An annual replanting program projected for a minimum five years with yearly review, is available.</b>	<i>Non-Critical</i>																					
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
Objective evidence:	<p>Company has a replanting program for 5 years (year 2019 to 2025) (Ref Doc Operational Projection). Replanting Program for Planted Year 1988 - 1998, as shown below:</p> <table border="1" data-bbox="352 999 1402 1144"> <thead> <tr> <th>Program</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Replanting</td> <td>687.91</td> <td>890.87</td> <td>1,068.20</td> <td>1,377.44</td> <td>1,120.60</td> <td>1,466.11</td> </tr> <tr> <td>% Replanting</td> <td>7.40</td> <td>9.59</td> <td>11.50</td> <td>14.83</td> <td>12.06</td> <td>15.78</td> </tr> </tbody> </table> <p>Replanting Program above still 80.91% (including actual replanting on 2020 amount 93 ha). The company also was conducted annual replanting evaluation on 19 June 2021.</p>		Program	2019	2020	2021	2022	2023	2024	Replanting	687.91	890.87	1,068.20	1,377.44	1,120.60	1,466.11	% Replanting	7.40	9.59	11.50	14.83	12.06	15.78
Program	2019	2020	2021	2022	2023	2024																	
Replanting	687.91	890.87	1,068.20	1,377.44	1,120.60	1,466.11																	
% Replanting	7.40	9.59	11.50	14.83	12.06	15.78																	
3.1.3	<b>The unit of certification holds management review at planned term according to the scale and nature of the activities undertaken.</b>	<i>Non-Critical</i>																					
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
Objective evidence:	<p>The company has made management review regarding realization of replanting that conducted by estate and GM Office. In other that, the company also has conducted management review for operational and implementation of RSPO. Management review has been done on 09 April 2021, follow by 17 participants, included all manager and GM. All inputs of management review mostly from internal audit result and external audit as well. The out put of management review consist of preparation for surveillance audit RSPO during pandemic covid 19.</p>																						
<b>Criterion 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.</b>																							
3.2.1	<b>The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impact and opportunities of the unit of certification.</b>	<i>Critical</i>																					
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
Objective evidence:	<p>PT ANJA Binanga has the mechanism to ensure the continual improvement by conducting an integrated internal audit and management review meeting. Integrated internal audit is an integration of several management system audits against the RSPO, ISPO, ISCC, ISO 14001, SMK3, OHSAS 18001 standard. This audit was conducted in 24-31 March 2021. The management review meeting was carried out with agenda of the meeting contained a review of the previous improvement plan in 2020 and actions to be taken for the continual improvement plan in 2021.</p>																						
3.2.2	<b>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat by Certification Body during Annual Surveillance Assessment by using the RSPO metrics template.</b>	<i>Non-Critical</i>																					
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
Objective	The company has provided the RSPO Metric Template for period 2021/2022 during the																						

<b>evidence:</b>	recertification audit, based on review of RSPO Metric Template was known all the information has been properly monitoring and reported in metrics template.				
<b>Criterion 3.3: Operating procedures are appropriately documented, consistently implemented and monitored.</b>					
<b>3.3.1</b>	<b>Standard Operating Procedure for the unit of certification are in place</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company has policy, manual, procedures, work instruction, management plan, internal memo and records for plantation and mill and it was documented. Documentation system procedure (SOP-SCD-01) consist of document approval level, code of department, code of document, identity of document, document control, record control, complete of information on document, numbering system on document, etc. All document system has provided on working areas/keeping areas. The procedures have been covering all main activity such as harvesting, transportation, manuring, IPM, best practice and supply chain. Based on visits to plantation and mill, the location has provided each the procedures.</p> <p>All policies and procedures have been stated on master list of document (FRM-SOP SCD 01-01). Some policies and procedures (standard of procedure (SOP) for all operational activities such as:</p> <ul style="list-style-type: none"> <li>• Agronomy Procedure consist of: SOP of road construction and estate lay out (SOP-AGR-01), SOP of LC with zero burning (SOP-AGR-03), SOP of soil and water conservation (SOP-AGR-05), SOP of nursery (SOP-AGR-07), SOP of muccuna planting (SOP-AGR-08), SOP of fertilizer and manuring (SOP-AGR-11), SOP of harvesting preparation (SOP-AGR-15), SOP of IPM (SOP-AGR-20), SOP of replanting (SOP-AGR-28) etc.</li> <li>• Sustainability Compliance Procedure consist of: SOP of documentation system (SOP-SCD-01), SOP of HCV and buffer zone (SOP-SCD-02), SOP of Internal audit management system (SOP-SDD-03), SOP of GHG (SOP-SCD-04), SOP of Traceability (SOP-SCD-05), SOP of Mass Balance (SOP-SCD-06), SOP of calibration (SOP-SDD-12), SOP of emergency response etc.</li> <li>• Environment, Health and Safety Procedure consist of: SOP of safety for spraying worker (SOP-EHS-001), SOP of safety for harvesting worker (SOP-EHS-003), SOP of waste management plan (SOP-EHS-008), SOP of LB3 handling (SOP-EHS-009), SOP of identification of hazardous and risk assessment (SOP-EHS-019) etc.</li> <li>• Clinic Procedure consist of: SOP of health service about outpatient, inpatient and referral (SOP-BP-01), SOP of health service for emergency condition (SOP-BP-02), SOP of health logistic (SOP-BP-03), SOP of medical check up for employee (SOP-BP-04) etc.</li> <li>• HR &amp; GA Procedure consist of: corporate policy of training (014/HR&amp;GA/CP/Training/07-2007), corporate policy of PPE (CP-HR&amp;GA-027) etc.</li> <li>• Central Workshop &amp; Transport Procedure consist of: SOP of road maintenance (SOP-CWT-001), SOP of central workshop (SOP-CWT-002) and SOP of transport management (SOP-CWT-003).</li> <li>• Mill Procedure consist of: SOP of FFB receipt station (ST.01/Eng-RCT); SOP of sterilizer station (ST.02/Eng-STR), SOP of Thresing station (ST.03/Eng-THRS), SOP of Kernel station (ST.06/Eng-KRN), SOP of circulation and transferring CPO in storage tank (ST.24/Eng-LAB), SOP of Dispatch CPO and Kernel (ST.14/Eng-DPCT) etc.</li> <li>• Purchasing Procedure consist of: SOP of product request by Medan/Jakarta office (No.I), SOP of location of buying/requesting product (No.II), SOP of product purchasing (No.III), SOP of requesting and buying of fertilizer (No.IV), SOP of CAPEX and purchasing flowchart (No.V).</li> <li>• Finance and Accounting Procedure consist of: SOP of operation procedure (ANJA-CEO-SOP 01), SOP of conflict interest (SOP-CEO-SOP 02), SOP of preparation of annual budget (ANJA-CEO-SOP03), SOP of font standard, cost/data write system, stock code, account/description code and terminology (ANJAF&amp;A-SOP28), SOP of requirement for FFB supplier (ANJA-F&amp;A-SOP31) etc.</li> <li>• Legal Procedure consist of: SOP of evaluation of compliance regulation &amp; law (SOP-Leg-01), SOP of communication &amp; information dessimination (SOP-Leg-02), SOP of handling of different opinion with community and land conflict/dispute (SOP-Leg-03).</li> <li>• Civil Engineering Procedure consist of: SOP of brick and plaster work (SOP-CE-02), SOP of grouting work (SOP-CE-03), SOP of harvesting bridge (SOP-CE-04) etc.</li> <li>• Training Procedure consist of: SOP of training (SOP-PDV-01)</li> </ul>				
<b>3.3.2</b>	<b>A mechanism to check c onsistent implementation of procedure is in place.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Company has mechanism to check the implementation of procedure is in place through internal audit, the internal audit conducts annually including all aspects of company operations e.g Plantation , Mill & Financial, the objective internal audit to ensure all operational activities carried out referring to the company procedures.				

<b>3.3.3</b>	<b>Records of monitoring and any actions taken are maintained and available.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The company has documented all of action plan regarding improvement from result of internal audit and management review. All of action plan was available in the action plan documents.				

<b>Criterion 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.</b>					
<b>3.4.1</b>	<b>SEIA in new planting or operation including mills, is conducted independently and participatively by involving the affected stakeholders, inclusive of impact assessment from the smallholder/outgrower scheme (if any). The assessment is to be documented.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company already has EIA Assessment (AMDAL) which is consist of KA-ANDAL, ANDAL, RKL and RPL. KA-ANDAL has been approved by Governor of North Sumatera based on letter number 152/BA 5/VII/1994 dated 25 July 1994, while for ANDAL, RKL and RPL have been approved by Governor of North Sumatera based on letter number 08/ANDAL/RKL/RPL-BA/II/1998 on 11 March 1998 about approval of the ANDAL and RKL-RPL PT Pendawa Sakti Eka in the Barumon Tengah, South Tapanuli Regency, North Sumatra Province with a scope document is 10,000 ha of palm oil plantation and factory capacity is 60-90 tons FFB/hour. On 2018, the company has compiling Addendum AMDAL for Land Application, Biogas, and Replanting activities.</p> <p>Preparation of AMDAL documents based on PP No. 51 of 1993 concerning Environmental Impact Analysis (AMDAL) and KepmenLH No. 39/MENKLH/8/1996 concerning types of businesses that must be accompanied by an Environmental Impact Analysis (AMDAL), in the regulation states that the type of plantation business that has an area of 10,000 Ha and above must be equipped with an AMDAL Document.</p> <p>The AMDAL document is prepared by an independent team that has the competence as a compiler of the AMDAL Document. The team are Bambang Mahmudi (Team Leader, AMDAL B license), Simon Tarigan (Member, AMDAL B License), Safrida (Member, AMDAL A License), Isnurahmi Siregar (Member, AMDAL B License), Timbul (Member, AMDAL A License) and Sugeng Priyatno (Member, AMDAL B License).</p> <p>AMDAL documents have identified positive and negative impacts caused by plantation activity and palm oil mill including the mitigation of negative impacts and improves the positive impact. The negative impacts for the environment that may arise due to operations activities include:</p> <ul style="list-style-type: none"> <li>• Water pollution caused by waste water discharged to river/drainage,</li> <li>• Air pollution caused by emission from boiler, and generator set,</li> <li>• Erosion or decreased soil fertility caused by land clearing,</li> <li>• Disturbance of wildlife habitat caused by operation</li> <li>• Social unrest caused by operation,</li> <li>• Hazardous waste caused by chemical use,</li> <li>• Pest and disease outbreak caused by monoculture system.</li> </ul> <p>Furthermore, PT ANJA - Binanga has maintained the full scope of ISO14000. The document impact assessment: <i>SOP - Identifikasi &amp; Evaluasi Aspek dan Dampak Lingkungan (IAD)</i> (SOP-SCD-09 Rev 1, 1 Apr 2014) is remains available during audit 2020. Identification of environmental aspect and impacts 2020 documents are also available for all activities including replanting to manage environmental impact from replanting activities.</p> <p>Social Impact Assessment has been done by independent consultant (Focus Consulting Group) in 2013. SIA covered Sub District of Huristak (District of Padang Lawas) and Sub District of Simangambat (District of Padang Lawas Utara). The SIA document has included records of meeting with relevant stakeholders (local government, public figure, women group, farmers group, etc). Furthermore, the company also conduct Social Mapping for Community Development by Social Investment Indonesia Foundation in October 2018, involving communities such as Desa Mandasip, Desa Aek Raru., Desa Tobing Jae, Desa Tarutung Sihoda-hoda.</p>				
<b>3.4.2</b>	<b>For the unit of certification, a SEIA is available and social and environmental management plan and its monitoring have been developed with participation of affected stakeholders.</b>				<i>Non-Critical</i>



<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>AMDAL documents have also established environmental management plan (<i>Rencana Pengelolaan Lingkungan-RKL</i>) to prevent negative impacts of all activities since pre-construction, construction, operations and post operation of the plantation and mill.</p> <p>Based on environmental management plan (RKL) document as follows:</p> <ul style="list-style-type: none"> <li>• Water pollution impact was managed by waste water treatment plant (WWTP) and land application using flat bed.</li> <li>• Air pollution was managed by maintaining boiler and generator set.</li> <li>• Erosion or decreased soil fertility was managed by empty bunches application, planting <i>Nephrolepis biserata</i> (<i>pakis sayur</i>) and vetiver grass, selective spraying, and terrace application.</li> <li>• Disturbance of wildlife habitat was managed by marking buffer zone of HCV area and instalment of warning sign and socialisation to workers and local community.</li> <li>• Social unrest was managed by job opportunity, plasma scheme and CSR program.</li> <li>• Hazardous waste was managed by TPS LB3 and delivery to licenced company for collecting, reuse or processing hazardous waste.</li> <li>• Pest and disease outbreak was managed by gupon application, turnera planting, antigonon plating, and periodic sensus.</li> </ul> <p>The environmental monitoring plan (<i>Rencana Pemantauan Lingkungan-RPL</i>) document has covered mill and estate, for examples:</p> <ul style="list-style-type: none"> <li>• Waste water from WWTP (monthly monitoring)</li> <li>• Soil water quality of ground water (six monthly monitoring)</li> <li>• Surface water (six monthl monitoring).</li> <li>• Air ambient, emission, odor, noise, vibration (six monthly monirong).</li> <li>• Soil (annually monitoring).</li> </ul> <p>Based on the SIA document, it was conducted in a participatory manner with relevant stakeholders (local government, public figure, women group, farmers group, etc). Every year, EA External Affair Department conducts Stakeholder Meeting to take information and discuss about annual activities, especially for CSR Program. The company has recorded in 'Rencana Strategis PT. Austindo Nusantara Jaya Agri Community Involvement and Development 2018 – 2022.</p> <p>The evidence of participative assesment attached in the SIA document. Those document identified the impacts of plantation and mill operation in 2 sub districts (Sub District of Huristak and Sub District of Simangambat). For Social Maping Analysis also involved relevant stakeholders such as, head of village, village development agency, communities, religious leader, etc).</p>					
<b>3.4.3</b>	<b>The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in participatory way.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The company updates environmental management and monitoring plan (RKL-RPL) report twice a year (per semester). The reports of RKL-RPL period second semester 2019 and first semester 2020 have been submitted to KLHK (<i>Kementerian Lingkungan Hidup dan Kehutanan</i>) and relevant institutions.</p> <p>Besides that, the company has made the land application report (quarterly) and the report of Hazardous and Toxic Waste Reports (quarterly). All reports have been submitted to KLHK (<i>Kementerian Lingkungan Hidup dan Kehutanan</i>) and relevant instutions.</p> <p>Verified during audit the RKL-RPL implemetation report period report on 2<sup>nd</sup> semester year 2020 and 1<sup>st</sup> semester year 2021, for examples:</p> <ul style="list-style-type: none"> <li>• Waste water treatment plant (WWTP) and land application using flat bed (200 ha).</li> <li>• Air pollution reduction: solid waste utilization (fiber and shell), planting trees surrounding mill, chimney building 25 m and preventif maintenance.</li> <li>• Riparian zone protection: prohibition of chemical fertilizer application and pesticide spraying application, mechanical plantation maintenance only at buffer of riparian zone (50 m right-left of river) at Sirandorung River and Sianggoton River.</li> <li>• Planting trees, cover crop, road drainage and gravel maintenance and terrace system, stacking of fronds across the contour, horseshoes to reduce the rate of erosion.</li> <li>• Reduction of pest outbreak: planting of <i>Turnera subulate</i>, <i>Antigonon leptopos</i>, and <i>Cassia cobanensis</i> as a host plant predator pests, warning sign and periodic patrol, counseling for workers and local community.</li> </ul>					

	<ul style="list-style-type: none"> <li>• Social unrest: CSR and job opportunity.</li> <li>• Hazardous waste (LB3) management: TPS LB3 building, symbol, label, delivery of LB3 to permitted waste collector and processor.</li> <li>• Reduction of aquatic biota disruption: rehabilitation and protection of river borders and counseling.</li> </ul> <p>Reviewed during audit the monitoring reports for period 2<sup>nd</sup> semester year 2020 and 1<sup>st</sup> semester year 2021, such monitoring activities reviewed:</p> <ul style="list-style-type: none"> <li>- Mill effluent monitoring for land application: all parameters (BOD and pH) have met to the threshold limited values as required by KepMenLH # 28-29 year 2003 (BOD &lt; 5000 mg/l and pH: 6-9).</li> <li>- River quality monitoring (upstream and downstream of Sianggaton River and Sirondorung River). All parameters have been met with the threshold limited values as required by regulation (PPRI# 82/2001 Class II).</li> <li>- Air ambient monitoring at Jelatang mill. All parameters (such as CO, SO<sub>2</sub>, NO<sub>2</sub>, etc.) have been met to the threshold limited values as required by regulation (PPRI# 41/1999).</li> <li>- Noise monitoring at Binanga Mill. Noise level has been met to the threshold limited values as required by regulation (Kepmenlh# 48/1996).</li> <li>- Odor monitoring at Binanga Mill. All parameters (such as NH<sub>3</sub>, H<sub>2</sub>S, Methyl Mercaptan, Methyl Sulfida, Styrene) has been meet to the threshold limited values as required by regulation (Kep No. 50/MenLH/11/1996).</li> <li>- Boiler air emission monitoring at Binanga Mill. All parameters (such as CO, SO<sub>2</sub>, NO<sub>2</sub>, NH<sub>3</sub>, HF, opacity, particulate etc.) have been meet to the threshold limited values as required by national regulation (PermenLH # 07 year 2007).</li> <li>- Genset air emission monitoring at Binanga Mill. All parameters (such as CO, SO<sub>2</sub>, opacity, particulate etc.) have been meet to the threshold limited values as required by national regulation (PermenLH # 13 year 2009 and PerMenLH# 21 year 2008).</li> <li>- Soil quality monitoring at <i>land application</i> at Central Estate. All parameters have been monitored.</li> <li>- Ground water (<i>sumur pantau land application</i>) monitoring at Central Estate. All parameters have been meet to the threshold limited values as required by national regulation (PermenKes# 32 year 2017).</li> <li>- Erosion monitoring at estates. The result of monitoring has meet with regulation (i.e. erosion level less than 15 ton/ha/year at all sampling points)</li> <li>- Biodiversity and plant disease and pest monitoring at Estates: rat pest cencus (3 monthly).</li> </ul> <p>All results of environmental monitoring in the 2nd semester year 2021 and 1st semester year 2022 still meet the regulations in Indonesia. The environmental management and monitoring reports have been submitted to the relevant institutions every semester using SIMPEL program (online) for KLHK and relevant institutions.</p> <p>The result of SIA is become a reference to develop the CSR program covering issues of education, health, infrastructure, social-economic development and also issues that detected in the SIA report. Actual CSR program 2021/2022 was donation, infrastructure (road maintenance and mosque), education (school building, scholarship, and library facility), health (clean water facility for communities, hygiene), economic empowerment (livestock management) capacity building for villages surrounding the company.</p> <p>The company is always invited by government and involved in annual village development planning meeting (Musrenbang) to discuss the social issues that need to mitigate and to seek the best way to support the negative impacts. Moreover, PT ANJ Agri always conducts regular stakeholders meeting (6 monthly). CSR Division has responsibility for CSR program and its implementation and their reporting.</p> <p>Update review Matriks management and monitoring plan EIA and SIA included in Matriks RKL &amp; RPL, last update review on 17 March 2022.</p> <p>Review of SIA has been done on February 2021, shown by Social Mapping Update 2021 Document by involving related stakeholder at Desa Mandasip, Desa Aek Raru., Desa Tobing Jae, Desa Tarutung Sihoda-hoda. In 2021, identification shown that the spread of corona virus is one of the highlight for prevention and case handling.</p> <p>In 2021 &amp; 2022, the company has done CSR activity based on CSR Plan, such as clean water facility with pumping well, public free circumcision, donation, religion celebration package, etc.</p>
<b>Criterion 3.5: A system for managing human resources is in place.</b>	
<b>3.5.1</b>	<p><b>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives in accordance with the applicable regulation.</b></p>
	<i>Non-Critical</i>

<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>
<b>Objective evidence:</b>	<p>The company has SOP No.018/HR&amp;GA/CP/05-2019 regarding recruitment, selection, mutation, promotion and demotion, dated on May 2009. Moreover, it is stated in Company's Regulation Period 2020 – 2021.</p> <p>Sample of Promotion</p> <ul style="list-style-type: none"> <li>Mr, Suryanto, lifted as First Foreman 'Mandor 1', dated on 28 August 2020. Previous Job : Production Foreman.</li> </ul> <p>Sample of Selection and Hiring</p> <ul style="list-style-type: none"> <li>Santiana Simbolon is hired as Paramedic (Bidan), dated on 29 July 2021. She was selected based on some procedures, such as administration completion, phsyco test and interview. It was seen that there was 6 candidates for this position/job.</li> </ul> <p>Sample of Retirement</p> <ul style="list-style-type: none"> <li>Mr. Sahat M. Tua has been retired on 13 August 2021 as harvester (pemanen). It was seen that the company has paid compensation based on regulation.</li> </ul>
<b>3.5.2</b>	<b>Employment procedures are implemented, and records are maintained.</b> <span style="float: right;"><i>Non-Critical</i></span>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>
<b>Objective evidence:</b>	Based on interview with labor union and workers was known that all workers have understood these procedures (see indicator 3.5.1) and they also state that recruitment and promotion process has been done without any indication discrimination measures by company. Based on review several document recruitment and promotions which conducted during 2021 and 2022 in mill and estate shows that company only gave relevant requirements which needed to be fulfilled by candidate who recruited or promoted e.g medical fitness, relevant experiences in similar position, good attitude during working (for Promotions), achieved company target by candidate (for promotions).

<b>Criterion 3.6: An Occupational Health and Safety (H&amp;S) plan is documented, effectively communicated and implemented.</b>	
<b>3.6.1</b>	<b>All operational activities risks assesed to identify the H&amp;S issues. Mitigation plans and procedures are documented and implemented.</b> <span style="float: right;"><i>Critical</i></span>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>
<b>Objective evidence:</b>	<p>Company has conducted hazard identification and risk assessment for every kind of job types according to procedure of hazard identification and risk assessment (SOP-EHS-019). Company has recorded its implementation, for examples: written procedures or work instructions, warning signs, PPEs usage, medical examination, etc.</p> <ul style="list-style-type: none"> <li>Mill Risk Assessment has been evaluated and approved by EHS Coordiantor on 18<sup>th</sup> January 2021 for all activity in Mill such as reception, loading ramp, sterilizer, thresher, press, clarification, boiler, power house, etc.</li> <li>Estate Risk Assessment has been evaluated and approved by EHS Coordinator on 26<sup>th</sup> February 2021 for all activity in Estate such as harvesting, fertilizing, spraying working at height (e.g fire watching tower), transportation, etc.</li> </ul> <p>The risk assessment has included mitigation plan and the company also have some procedure regarding OSH system such as:</p> <ul style="list-style-type: none"> <li>PPE facilities for hasvester SOP No. CP-HR&amp;GA-027</li> <li>Working accident SOP No. CP-HR&amp;GA-026</li> <li>Working accident investigation No. SOP-Klinik-08</li> <li>Procedure for prevention, and controlling of infectious diseases SOP-Klinik-010</li> </ul> <p>The company also has been implemented protocol of health to prevent covid 19 in company area such as:</p> <ul style="list-style-type: none"> <li>All of guest shall conduct rapid test before visit in the company area</li> <li>All of guest has been provided faceshield and hand sanitizer in the office.</li> <li>Office room only used for 50% from total capacity</li> <li>All of guest and employees that come from outside area will be monitored health condition by health monitoring form for a week. If any bad condition, they shall go to company clinic.</li> <li>Hand wash facilities has been provided in some area such as, office, clinic, and security pos.</li> <li>Using mask in the office room</li> </ul> <p>The implementation of risk assessment will be check when onsite audit.</p>

<b>3.6.2</b>	<b>The effectiveness of the H&amp;S plan to address health and safety risks to people is monitored</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>P2K3 (safety committee) has been approved by government No. 87-7/DTK-SU/Wil.V/2021 dated on 15th March 2022 valid until two year next. Secretary of P2K3 PT ANJA (Mr. Adil Situmorang) has the license of General H&amp;S Expert from Ministry of Manpower.</p> <p>Last update P2K3 (safety committee) has been approved by government No. 182/DTK-SU/Wil.V/2022 dated on 16th March 2021 valid until two year next. Secretary of P2K3 PT ANJA (Mr. Adil Situmorang) has the license of General H&amp;S Expert from Ministry of Manpower</p> <p>The safety committee and EHS department has been monitored of safety implementation in the field and mill. The company holds P2K3/HSE meeting at least once a month and report the meeting result to related government. P2K3 (safety committee) report the P2K3 activity quarterly, such as:</p> <ul style="list-style-type: none"> <li>• Monthly meeting on 10 February 2022, with attended by GM, managers, staff, and field assistant.</li> <li>• Monthly meeting on 16 Dec 2021 with attended by GM, managers, staff, and field assistant</li> <li>• Monthly meeting on 22 July 2021 with attended by GM, managers, staff, and field assistant.</li> <li>• Monthly meeting on 15 January 2021 with attended by GM, managers, staff, and field assistant.</li> <li>• Monthly meeting on 26 February 2021 with attended by GM, managers, staff, and field assistant.</li> </ul> <p>The company has been reported quarterly regarding P2K3 activities to UPT Pengawasan ketenagakerjaan Wilayah V Prov. Sumatera Utara.</p>	
<b>Criterion 3.7: All staff, workers, Scheme Smallholders, outgrowers and contract workers are appropriately trained.</b>		
<b>3.7.1</b>	<b>A documented programme that provides training is in place, which is accessible to all staff, workers, scheme smallholders, and outgrowers taking into account gender-specific needs, and which covers applicable aspects of P&amp;C Principles, in a form they understand and includes assesment of the training</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has made training programme for 2022 include for sustainability, safety, and operational and documented in the training need analysis. Training programme for 2022 consist of:</p> <ul style="list-style-type: none"> <li>• Integrated System Management Training (RSPO, New Planting Procedure, Traceability, Mass Balance, ISPO, ISCC, SMK3, OHSAS 18001, ISO 14001 &amp; PROPER)</li> <li>• IPM training</li> <li>• Safety training awareness for harvesters, mill operators, spraying operator, and etc.</li> <li>• Emergency response simulation in the mill</li> <li>• First aid refreshment raining</li> <li>• Environmental ethic, reward, &amp; punishment</li> <li>• Ripeness of FFB, and, Losses.</li> <li>• Understanding of agronomy for outgrowers.</li> </ul>	
<b>3.7.2</b>	<b>Records of training are maintained, where appropriate on an individual basis.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has recorded of training realization in the Database Training Binanga 2021 with sample as follow:</p> <ul style="list-style-type: none"> <li>• Refresh training spraying 8 March 2021</li> <li>• Refresh socialization company policy 16 Februari 2021</li> <li>• Refresh training PHT and HCV 4 March 2021</li> </ul>	
<b>3.7.3</b>	<b>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has a training program for all company employees, including for staff as stated in the 2021 Training Needs Analysis. In addition, the company has held refresher training for RSPO SC PICs in plantations and mills. The training notes are as follows:1. Refresh training on harvesting and</p>	

	<p>transportation attended by 38 people in May 2021</p> <ol style="list-style-type: none"> <li>1. Refresh spraying training attended by 10 people in March 2021</li> <li>2. Fertilization refresher training attended by 10 people in February 2021</li> <li>3. Refresh training safety work at harvesting, spraying and fertilizing was attended by 35 people in April 2021</li> </ol> <ol style="list-style-type: none"> <li>1. Simulation of fire prevention and control was attended by 60 people in May and June 2021.</li> <li>2. EHS Basic training was attended by 15 people in June 2021.</li> </ol>
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<b>Criterion 3.8: Supply Chain Requirements For Mills</b>	
<b>3.8.1</b>	<p><b><u>Identity Preserved Module</u></b></p> <p><b>A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&amp;C), or against the Group Certification scheme.</b></p> <p><b>Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.</b></p>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	During 2021 and 2022, the company has been implemented MB model for RSPO SC.
<b>3.8.2</b>	<p><b><u>Mass Balance Module</u></b></p> <p><b>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	During November 2020 until July 2021, the company has been received FFB certified and noncertified. Based on mass balance report Binanga Mill, during November 2020 until Juli 2021 Binanga Mill has been received FFB certified 82,585 MT and produced of CSPO 15,914 MT and CSPK 4,085 MT. for FFB noncertified, Binanga Mill has been received 110,441 MT and produced CPO 21,368 MT and PK 5,422 MT.
<b>3.8.3</b>	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&amp;C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</b></p>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	<p>The company has made estimation of CPO and PK certified for September 2021 – August 2022 as follow:</p> <ul style="list-style-type: none"> <li>• CPO certified projection: 29,466.88 MT (20,05%)</li> <li>• PK certified projection: 7,546.40 MT (5,25%)</li> </ul>
<b>3.8.4</b>	<p><b>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.</b></p>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Binanga mill has registered in RSPO Palm Trace/RSPO IT Platform with registration number RSPO_PO1000000530. During November 2020 until July 2021 the company has been registered CSPO transaction amount 9,503.30 MT and CSPK transaction amount 2,153.43 MT in the RSPO IT platform.
<b>3.8.5</b>	<p><b><u>Documented procedures</u></b></p>

	<p><b>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</b></p> <ul style="list-style-type: none"> <li>a) <b>Complete and up to date procedures covering the implementation of all elements of the supply chain model requirements.</b></li> <li>b) <b>Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</b></li> <li>c) <b>Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</b></li> <li>d) <b>The mill shall have documented procedures for receiving and processing certified and non-certified FFBs including ensuring no contamination in the IP mill.</b></li> </ul>					
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Written procedures to ensure the implementation of the applicable supply chain through mass balance model has been established and documented on :</p> <ul style="list-style-type: none"> <li>1. Product traceability (SOP-SCD-01 Rev.02 dated on 01 July 2020) and</li> <li>2. Procedure for mass balance (SOP-SCD-06 Rev.02 dated on 17 Sep 2018).</li> </ul> <p>All of procedure has been covered all elements of the supply chain model requirements.</p> <p>According to Procedures for traceability (SOP-SCD-01 Rev.02 dated on 01 July 2022), Mill manager is having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. He also supported by assisstant laboratorium.</p> <p>During surveillance audit observed that mill manager and assisstant laboratorium are able to demonstrate awareness of the organization's procedures for the implementation of this standard.</p>					
<b>3.8.6</b>	<p><b><u>Internal Audit</u></b></p> <ul style="list-style-type: none"> <li>i. <b>The mill shall have a written procedure to conduct an annual internal audit to determine whether the mill;</b> <ul style="list-style-type: none"> <li>a) <b>conforms to the requirements in the RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.</b></li> <li>b) <b>conforms to the requirements in the RSPO Supply Chain requirements for mills and the RSPO Rules on Market Communications and Claims.</b></li> </ul> </li> <li>ii. <b>Any non-conformities found as part of the internal audit shall be issued and required corrective action. The outcomes of the internal audits and all actions taken to correct non- conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</b></li> </ul>					
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The organization has update procedure regarding internal audit, #SOP-SCD—03, on 1 Oct 2018, based on standard RSPO SCC P&amp;C and RSPO SC Standard 2020.</p> <p>Program on SCCS internal audit has been established and scheduled once a year. For 2020, the internal audit P&amp;C include RSPO SC has been done in 24-31 March 2021. Internal audit conducted by Mr. Ilham Damanik.</p> <p>The management review meeting was carried out on 09 April 2021 with agenda of the meeting contained a review of the previous improvement plan in 2020 and actions to be taken for the continual improvement plan in 2021.</p>					
<b>3.8.7</b>	<p><b><u>Purchasing and Goods in</u></b></p> <ul style="list-style-type: none"> <li>i. <b>The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</b></li> <li>ii. <b>The mill shall inform the CB immediately if there is a projected overproduction of certified volume.</b></li> <li>iii. <b>The mill shall have a mechanism in place for handling of non-conforming FFB and/or documents</b></li> </ul>					
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective</b>	Certified FFB suppliers is only from East Estate, Central Estate, and West Estate. The company has					

<b>evidence:</b>	Electronic Plantation Mobile Solution as verification document of certified FFB from supply base certified. All of FFB from Central Estate, East Estate, and West Estate claimed by company as certified FFB and documented in the mass balance document. Based on production document during palmtrace period, there is no overproduction of certified volume.				
<b>3.8.8</b>	<p><b><u>Sales and Goods Out</u></b></p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ol style="list-style-type: none"> <li>a) The name and address of the buyer;</li> <li>b) The name and address of the seller;</li> <li>c) The loading or shipment / delivery date;</li> <li>d) The date on which the documents were issued;</li> <li>e) RSPO certificate number;</li> <li>f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations);</li> <li>g) The quantity of the products delivered;</li> <li>h) Any related transport documentation;</li> <li>i) A unique identification number.</li> </ol>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company has made claim for CPO and PK that sold as RSPO certified in the sales document such as, WB Ticket, Sales Contract, warrant of delivery, and Delivery Letter of CPO/PK. For example as follow:</p> <ul style="list-style-type: none"> <li>• Delivery Letter of PK No. 002/ANJA/I/2021 dated on 14/01/2021 with volume 200 MT</li> <li>• Delivery Letter of CPO No. 003/ANJA/PKS/I/2021 dated on 11/01/2021 with volume 1,000 MT.</li> <li>• Delivery Letter of CPO No. 004/ANJA/PKS/I/2021 dated on 15/01/2021 with volume 1,500 MT.</li> </ul> <p>The minimum information for RSPO certified products was available in the sales document. During palmtrace period, there are CSPO transaction amount 9,503.30 MT and CSPK transactions amount 2,153.43 MT. in other that, the company also sales of CSPO credits with amount 4,850 credits transaction, for examples:</p> <ul style="list-style-type: none"> <li>• Buyer: Mondelez Europe GmbH; credits: 1,500 CSPO dated on 24/05/21</li> <li>• Buyer: Mondelez Global LLC; credits: 2,500 CSPO 26/02/2021</li> </ul>				
<b>3.8.9</b>	<p><b><u>Outsourcing Activities</u></b></p> <ol style="list-style-type: none"> <li>i. The mill shall not outsource its milling activities. In cases where the mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification.</li> <li>ii. The mill shall ensure the following: <ol style="list-style-type: none"> <li>a) The mill has legal ownership of all input material to be included in outsourced processes</li> <li>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</li> </ol> </li> </ol>				
<b>Findings</b>	In compliance:	Yes:	X	No:	

<b>Objective evidence:</b>	<p>The company use third parties as transporter and storage facility with agreement as follow:</p> <ul style="list-style-type: none"> <li>- Agreement No. 003/ANJA/COM/PK/I/2020 between CV. Mujur Trans as transporter of CPO/PK certified and PT ANJA dated on 02 January 2020.</li> <li>- Agreement No. 004/ANJA/COM/PK/I/2020 between CV. Usaha Bersama as transporter of PK certified and PT ANJA dated on 02 January 2020.</li> <li>- Agreement No. 024/DPA/XII/2020 dated on 08 December 2020 between PT DPA as storage tank facility and PT ANJA.</li> </ul> <p>The company has been communicated by all outsources activity that they provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</p>					
<b>3.8.10</b>	<b>The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.</b>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:	
In compliance:	Yes:	X	No:			
<b>Objective evidence:</b>	<p>The company has list of stakeholders has been recorded the names and contact detail of all contractors used include transporter and bulking station, for instance :</p> <ul style="list-style-type: none"> <li>- Agreement No. 003/ANJA/COM/PK/I/2020 between CV. Mujur Trans as transporter of CPO/PK certified and PT ANJA dated on 02 January 2020.</li> <li>- Agreement No. 004/ANJA/COM/PK/I/2020 between CV. Usaha Bersama as transporter of PK certified and PT ANJA dated on 02 January 2020.</li> <li>- Agreement No. 024/DPA/XII/2020 dated on 08 December 2020 between PT DPA as storage tank facility and PT ANJA.</li> </ul>					
<b>3.8.11</b>	<b>The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.</b>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:	
In compliance:	Yes:	X	No:			
<b>Objective evidence:</b>	There is no new contractor during the recertification, the company only engage with previously contractors as stipulated in indicator 3.8.10.					
<b>3.8.12</b>	<p><b>Record keeping</b></p> <ul style="list-style-type: none"> <li>i. <b>The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</b></li> <li>ii. <b>Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</b></li> <li>iii. <b>For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</b></li> <li>iv. <b>For Mass Balance Module, the mill:</b> <ul style="list-style-type: none"> <li>a) <b>shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</b></li> <li>b) <b>All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</b></li> <li>c) <b>The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)</b></li> </ul> </li> </ul>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:	
In compliance:	Yes:	X	No:			
<b>Objective evidence:</b>	<p>Based on document review, the company has been maintained some document such as:</p> <ul style="list-style-type: none"> <li>a. Weighing slip (in and out)</li> <li>b. Daily Production Report</li> <li>c. Bill of lading</li> <li>d. Delivery notes</li> <li>e. eTrace transaction report</li> <li>f. Surat Pengantar Buah Lokal</li> </ul>					



	g. Mass Balance Report (3 monthly): opening stock of FFB, FFB input, delivery to production, opening stock of CPO and PK, CPO and PK production, CPO and PK dispatch, and ending stock.				
<b>3.8.13</b>	<b><u>Extraction Rate</u></b>  <b>The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.</b>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The mill has been determined OER and KER based on sounding activity in every working day and documented in the Daily Production Report. During November 2020 until July 2021, the actual OER amount 19.38% and KER amount 4.94%. The mill has been estimated OER and KER for next year based on past experience.				
<b>3.8.14</b>	<b><u>Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.</u></b>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The mill has been determined OER and KER based on sounding activity in every working day and documented in the Daily Production Report. During November 2020 until July 2021, the actual OER amount 19.38% and KER amount 4.94%. The mill has been estimated OER and KER for next year based on past experience.				
<b>3.8.15</b>	<b><u>Processing</u></b>  <b>For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.</b>				
<b>Findings</b>	In compliance:	Yes:		No:	
<b>Objective evidence:</b>	During 2021 and 2022, the company has implemented mass balance model.				
<b>3.8.16</b>	<b><u>Registration of Transactions</u></b>  <b>i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</b> <b>ii. Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</b>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	During palmtrace period, there are CSPO transaction amount 9,503.30 MT and CSPK transactions amount 2,153.43 MT. in other that, the company also sales of CSPO credits with amount 4,850 credits transaction, for examples: <ul style="list-style-type: none"> <li>• Buyer: Mondelez Europe GmbH; credits: 1,500 CSPO dated on 24/05/21</li> <li>• Buyer: Mondelez Global LLC; credits: 2,500 CSPO 26/02/2021</li> </ul> The company also has been removed stock of certified product that sold as conventional product in the palmtrace. Here the evidence of remove stock: <ul style="list-style-type: none"> <li>• ST TR cdb3c2a2-3f2b dated on 27/08/21 amount 1,932 MT PK sold as conventional</li> <li>• ST TR 3338e524 be61 dated on 27/08/21 amount 1,562 MT CPO sold as conventional</li> </ul>				
<b>3.8.17</b>	<b><u>Claims</u></b>  <b>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</b>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	During 2021 and 2022, the company has been made claim for CSPO and CSPK sold as RSPO MB in the sales documents. The minimum information regarding RSPO certification has listed into sales documents. Furthermore, the company only make communication regarding RSPO in the website company <a href="https://anj-group.com/en/oil-palm-plantation">https://anj-group.com/en/oil-palm-plantation</a> . The claim and				

communication are in compliance with RSPO Rules on Market Communication and Claims.

<b>Principle 4: Respect Community and Human Rights and Deliver Benefits</b>					
<b>Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.</b>					
<b>4.1.1</b>	<b>A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRDs), prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces. This policy is documented and communicated to all levels of the workforce, operations, supply chain and local communities.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The unit of certification has Human Rights Policy (<i>Kebijakan Keberlanjutan ANJ</i>, October 31, 2019, signed by president director, and <i>Kebijakan Penghormatan Terhadap Hak Asasi Manusia, Perdagangan Manusia, dan Kerja Paksa</i>, August 04, 2016, signed by President Director).</p> <p>The policy including commitment to respects and supports the Universal Declaration of Human Rights as well as International Labour Organization's Declaration on Fundamental Principles and Rights at Work, including prohibiting retaliation against Human Rights Defenders (HRD's)</p> <p>The policy has been implemented and communicated to all level of the workforce, supplier, contractors and local communities on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022</i>, <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation).</p> <ul style="list-style-type: none"> <li>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, confirmed that they aware of the policy.</li> </ul>				
<b>4.1.2</b>	<b>The Unit of certification does not instigate violence or any form of intimidation in its operations.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village and documents review, there is no evidence the unit of certification triggers violence, harasses and intimidation in plantation and mill operations.</p> <p>Based on online research during the audit, there is no media reported relating complaint with human right issues.</p> <p>Based on internal and eksternal complaints and grievances records, no records found regarding this issue.</p> <p>Based on interview with labor union and workers, (permanent and outsourcing workers) confirmed that company has no issue regarding human rights violation.</p>				
<b>Criterion 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.</b>					
<b>4.2.1</b>	<b>The mutually agreed system is in place, open to all parties affected, resolve disputes in an effective, timely and appropriate manner, ensuring the anonymity of complainants, Human Rights Defenders, community spokespersons and whistleblowers, where requested, as long as the report is supported with sufficient preliminary evidences. The system ensures that there is no risk of reprisal or intimidation and follows the RSPO's policy for HRDs.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The unit of certification has Human Rights Policy (<i>Kebijakan Keberlanjutan ANJ</i>, October 31, 2019, signed by president director, and <i>Kebijakan Penghormatan Terhadap Hak Asasi Manusia, Perdagangan Manusia, dan Kerja Paksa</i>, August 04, 2016, signed by President Director).</p> <p>The policy including commitment to respects and supports the Universal Declaration of Human Rights as well as International Labour Organization's Declaration on Fundamental Principles and Rights at Work, including prohibiting retaliation against Human Rights Defenders (HRD's)</p> <p>The policy has been implemented and communicated to all level of the workforce, supplier, contractors and local communities on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022</i>, <i>Sosialisasi Kebijakan dan Procedure</i></p>				

	<p><i>Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022, includes list of attendees and photo documentation).</i></p> <p>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, confirmed that they aware of the policy.</p>					
<b>4.2.2</b>	<b>Procedures are in place to ensure the system is understood by affected parties, including by illiterate parties.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The company has communicated SOP Communication and Informations responses No. SOP-Leg-02, edition 1, rev 04 date on 30 March 2015 both internal and external such as in Mandasip Village on 9 November 2019 and to all workers; Estate (Division I on 23 July 2020, Division II on 30 July 2020, Division III on 12 June 2020, Division IV on 21 August 2020, Division V on 28 August 2020, Division VI on 11 August 2020, Division VII on 10 June 2020, Division VIII on 5 March 2020, Division IX on 13 February 2020, Division X on 31 January 2020, Division XI on 4 February 2020 and Division XII on 29 January 2020), Mill (10 September 2020).</p>					
<b>4.2.3</b>	<b>The unit of certification keeps parties informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on interview with Company external relation, The company faced a case of land disputes from communities of Pasir Pinang Villages in year 2015, the land disputes was resolved through Free, Prior and Informed Consent mechanism by involving related parties (e.g Relevant Government Institutions, Head of Villages, etc).</p> <p>Based on interview with head of village, government institution, and workers during 2020-2021 there is no dispute with communities or workers.</p> <p>There is internal complaint, ie:</p> <ul style="list-style-type: none"> <li>On 22 March 2021, regarding (BPJS) Health and safety insurance card, and successfully responded on same day.</li> <li>On 23 March 2021, regarding (BPJS) Health and safety insurance saldo, and successfully responded on same day.</li> </ul>					
<b>4.2.4</b>	<b>The conflict resolution mechanism includes the option of access to independent legal and technical advice. The complainants have the freedom to choose individuals or groups to support them and/or act as observers. The parties can choose the option to engage a third-party mediator.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The company has SOP related to collecting and resolving stakeholder complaints has been addressed on the "Prosedur Pemberian Informasi dan Tanggapan SOP-Leg-02 dated 25.12.2014. Procedure also accommodate third-party mediator if necessary. Moreover, the Company has Company Regulations (Peraturan Perusahaan) for period 2020 - 2022, In Company Regulations has mentioned of conflict resolution mechanism for internal workforce includes the option of access to independent legal and technical advice.</p>					
<b>Criterion 4.3: The unit of certification contributes to local sustainable development as agreed by local communities.</b>						
<b>4.3.1</b>	<b>Contributions to community development that are based on the results of consultation with local community are demonstrated.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Contributions to community development that are based on the results of Social Impact Assessment that has been done by independent consultant (Focus Consulting Group) in 2013. SIA covered Sub District of Huristak (District of Padang Lawas) and Sub District of Simangambat (District of Padang Lawas Utara). The SIA document has included records of meeting with relevant stakeholders (local government, public figure, women group, farmers group, etc). Furthermore, the company also conduct Social Mapping for Community Development by Social Investment Indonesia Foundation in October 2018, involving communities such as Desa Mandasip, Desa Aek Raru., Desa Tobing Jae, Desa Tarutung Sihoda-hoda.</p> <p>The result of SIA is become a reference to develop the CSR program covering issues of education, health, infrastructure, social-economic development and also issues that detected in the SIA report.</p>					

	Actual CSR program 2020/2021 was donation, infrastructure (road maintenance and mosque), education (school building, scholarship, and library facility), health (clean water facility for communities, hygiene), economic empowerment (livestock management) capacity building for villages surrounding the company				
<b>Criterion 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).</b>					
<b>4.4.1</b>	<b>Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed (FPIC) process. Documents related to the history of land tenure and the actual legal or customary use of the land are available.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on documents review and interviews with previous land owners of Huta Baru Village, Mandasip Village, and Tobing Jae Village, the land currently managed by the unit of certification originally state-owned land, and before the land was conversion into oil palm plantations by the company, this was a community-owned shifting cultivation area planted with rice and secondary crops. Compensation is given to free these lands from community management. It is concluded based on interview and review of a number of documents proof of compensation for land and plants on it e.g.:</p> <ul style="list-style-type: none"> <li>• Statement letter of land owner on behalf of Pangulu Daulay, Gonting Julu Village/Ramba Village, equipped with documents <i>Berita Acara Pemeriksaan dan Pengukuran Lahan, Surat Perjanjian Penyerahan Lahan, Surat Pernyataan Pelepasan Hak Atas Tanah, Peta Lahan Partisipatif, Tanda Terima Pembayaran</i>, Cash Payment Voucher, and foto documentation, June, 04, 1998.</li> <li>• Statement letter of land owner on behalf of Zainuddin Siregar, Raja Siregar, Pangadilan Siregar, Bahori Harahap, Pasir Pinang Village, equipped with documents <i>Berita Acara Pemeriksaan dan Pengukuran Lahan, Surat Perjanjian Penyerahan Lahan, Surat Pernyataan Pelepasan Hak Atas Tanah, Peta Lahan Partisipatif, Tanda Terima Pembayaran</i>, Cash Payment Voucher, and foto documentation, June, 25, 1996.</li> <li>• Statement letter of land owner on behalf of Batara Muda Siregar, Pasir Pinang Village, equipped with documents <i>Berita Acara Pemeriksaan dan Pengukuran Lahan, Surat Perjanjian Penyerahan Lahan, Surat Pernyataan Pelepasan Hak Atas Tanah, Peta Lahan Partisipatif, Tanda Terima Pembayaran</i>, Cash Payment Voucher, and foto documentation, June, 04, 1998.</li> </ul> <p><i>Note:</i></p> <p>Based on Notary Act. No.6 dated 20 July 2005 on section 1 by notary of Mala Mukti, SH has informed there is change of company name from PT Eka Pendawa Sakti to PT Austindo Nusantara Jaya Agri but shareholder no change. It has approved by government on decree of Minister of law and human right no.C-20304.HT.01.04.TH.2005 dated 22 July 2005. Moreover, the change of company name has written by Investment Coordinating Board on letter no.1350/B.1/A.6/2005 dated 2 August 2005. From the legality aspect, the unit of certification have obtain legal ownership of the land i.e.:</p> <ul style="list-style-type: none"> <li>• <b><u>Site Location Permit</u></b> The company has site location permit for estate and mill location from relevant government institution as follows : <ul style="list-style-type: none"> <li>- Site permit No. HK.350/E.5.288/05.95, dated 1 May 1995 cover areal for 4.000 Ha.</li> <li>- Site permit No.460.1466/IL/X/1995, dated 9 October cover areal for 5.000 Ha.</li> <li>- Site permit No. 525.26/337/K/2004, dated 7 May 2004 cover areal for 5.000 Ha.</li> </ul> </li> <li>• <b><u>IUP (Estates Business Permit)</u></b> The company has business permit for estate and mill activities from relevant government institution as follows : <ul style="list-style-type: none"> <li>- Estates Business Permit (IUP) No. 105/HK.350/SK/D/BUN/10.97 dated 31 October 1997 for areal 6.000 Ha.</li> <li>- Estates Business Permit (IUP) No. 525/472/K/2005 dated 11 October 2005 for areal 3.214,9 Ha.</li> <li>- Estates Business Permit (IUP) No. 525.26/9541/2007 dated 02 November 2007 for areal 197 Ha.</li> </ul> </li> <li>• <b><u>Land Use Rights (HGU)</u></b> The company holds the land use rights (Hak Guna Usaha) such as : <ul style="list-style-type: none"> <li>- <b>Land Use Right certificate no.1</b> dated 4 September 1993 on behalf PT Eka Pendawa Sakti in Simangambat Julu village, Barumon Tengah Sub District (current is Simangambat Sub District), Tapanuli Selatan District with total areas is <b>6,000 ha</b> with their base of register is Head of National Land Agency decree <b>No.32/HGU/BPN/91</b> dated 6 November 1991 (total areas is <b>5,833.75 ha</b>) jo <b>no.32/HGU/BPN/91/A/50</b> dated 31 May 1993 (total areas is <b>6,238 ha</b>).</li> </ul> </li> </ul>				

	<p>Illustration of land use right areas has showed on map of special situation (peta gambar situasi khusus) no.5/10/IV/1993 dated 8 January 1993. The first validity of certificate until 31 December 2021 and based on Head of Land Use Right decree no.76/HGU/BPN/2005 dated 21 June 2005 that validity of certificate has extended until <b>31 December 2076</b>. Section i) on land use right certificate no.1 has informed that certificate for at least areas of <b>± 238 ha</b> will be issued after the company has controlled/compensated areas it. During audit has verified progress land use right (HGU) on process as follow: HGU on process 20 ha (part of <b>± 238 ha</b>), sighted copy Letter No. 040/LP/ANJA/EM/XI/2016 dated 1 November 2016 regarding land registration Issuing HGU certificate up on issuing decree letter of land use right no. 32/HGU/BPN/91 dated November 06, 1991 Jo Decree Letter HGU No. 32/HGU/BPN/91/A/50, dated 31 May 1993 for 20 ha area in Padang Lawas District on behalf PT Austindo Nusantara Jaya Agri. The letter sent to head of land officer Tapanuli Selatan District. The company propose to register 20 ha land located in Pulo Bariang village, Hurisrak sub district, Padang Lawas utara district. The letter was received by land officer Tapanuli Selatan District on 2 November 2016 as seen on receiving notes on the letter. There is no new progress for this HGU on process.</p> <ul style="list-style-type: none"> <li>- <b>Land Use Right certificate no. 01</b> dated 10 September 2009 on behalf PT Austindo Nusantara Jaya Agri in Ramba village, Huristik Sub District, Padang Lawas District (Tapanuli Selatan is old district name) with total areas is <b>197.05 ha</b> with their base of register is Head of National Land Agency decree <b>No.02-540.2-22-2009</b> dated 16 March 2009. Illustration of land use right areas has showed on map of special situation (peta gambar situasi khusus) no.18/10/2008 dated 27 March 2008. The validity of certificate until <b>9 September 2044</b>. Based on Head of Forestry Department in Tapanuli Selatan letter no.522/1527/2006 dated 18 September 2006 that it has excluded from forest areas which refer to Minister of Forest decree no.44/Menhut-II/2005 dated 16 February 2005 and or Minister of Forest decree no.201/Menhut-II/2006 dated on 5 June 2006).</li> <li>- <b>Land Use Right certificate no. 03</b> dated 26 January 2001 on behalf PT Eka Pendawa Sakti in Simangambat Julu, Pasing Pinang, Air Gala village, Barumon Tengah Sub District, Padang Lawas District (Tapanuli Selatan is the old name for district) with total areas is <b>3,214.90 ha</b> with their base of register is Head of National Land Agency decree <b>No.67/HGU/BPN/2000</b> dated 18 December 2000. Illustration of land use right areas has showed on map of special situation (peta gambar situasi khusus) no.05/10/2000 dated on 9 May 2000. The validity of certificate until <b>25 December 2091</b>.</li> </ul> <p>The documents mentioned above have shown the history of land that was previously managed by the community and the process of compensation and land conversion into oil palm plantation. The compensation process with mutually agreed payment amount.</p>						
<p><b>4.4.2</b></p>	<p><b>Copies documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:</b></p> <ul style="list-style-type: none"> <li>a. <b>Evidence that a plan has been developed through consultation and discussion held in good faith with all affected groups within the community, with specific assurances that vulnerable, minority and gender groups are asked for their opinions, and that information has been provided to all affected groups, including in it information about the steps taken to involve them in decision making ;</b></li> <li>b. <b>Evidence that the unit of certification has respected communities to give or withhold their consent to the operations at the time that these decisions were taken;</b></li> <li>c. <b>Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities. Including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.</b></li> </ul>	<p><i>Non-Critical</i></p>					
<p><b>Findings</b></p>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:		
In compliance:	Yes:	X	No:				
<p><b>Objective evidence:</b></p>	<p>The company has maintained records all former land acquisition process including documents of consultation, official report of compensation and land dispute resolution during 1993 to 2005. There is no new land acquisition until surveillance assessment 2019.</p> <p>There is no evidence that legitimate land claim from another parties which still on going process exist currently inside of the company areal. Company has carried out a numbers of compensation to the legitimate land claim previously (last compensation in 1995) and recorded the process properly, some of sample documents of land claim compensation process were reviewed and revealed that the company has been identified for every land claim which exist inside of the company areal through FPIC process.</p> <p>Document reviewed of compensation based on FPIC process, such as:</p> <ul style="list-style-type: none"> <li>• <i>Surat Perjanjian Penyerahan/Pelapasan Hak Atas Tanah dengan Ganti Rugi No. 151/SPGR/07/98</i> under Mr. Batara Muda Siregar and Mr. Pangadilan Siregar, Pasir Pinang</li> </ul>						

	<p>Village, Barumun Tengah Sub District, West Estate on 19 July 1998. Total area of land acquired is 90 ha, the amount of compensation is IDR 9,000,000.</p> <ul style="list-style-type: none"> <li>• <i>Surat Perjanjian Ganti Rugi Tanah</i> No. 129/SPGR/04/94 under Mr. Sutan Guru Hasibuan, Ramba Village, Barumun Tengah Sub District, West Estate on 23 April 1994. Total area of land acquired is 33.50 ha, the amount of compensation is IDR 3,350,000.</li> <li>• <i>Surat Perjanjian Ganti Rugi Tanah</i> No. 103/SPGR/04/94 under Mr. Sutan Guru Hasibuan, Mangaraja Nauli, Mangaraja Solhe, Raja Syarif, Mangaraja Tampubolon, Tongku Longat Ramba Village, Barumun Tengah Sub District, West Estate on 23 April 1994. Total area of land acquired is 6,70 ha Mr. Sutan Guru Hasibuan 0,80, Mangaraja Nauli 1,75, Mangaraja Solhe 1 ha, Raja Syarif 1 ha, Mangaraja Tampubolon 1,25 ha, Tongku Longat 0.90 ha, the amount of compensation is IDR 9,045,000</li> <li>• <i>Surat Perjanjian Ganti Rugi Tanah</i> No. 197/SPGR/11/94 under Mr. Zulpan Hasibuan, Maratron Hasibuan, Baginda Hanomangan Hasibuan, Ramba Village, Barumun Tengah Sub District, West Estate on 16 November 1994. Total area of land acquired is 150 ha, the amount of compensation is IDR 9,000,000</li> </ul>	
<b>4.4.3</b>	<b>Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>PT. ANJ Agri - Binanga has maps with appropriate scale:</p> <ul style="list-style-type: none"> <li>• The company has map of boundary stone from National Land Agency each region or estate with scale 1 : 30,000. Moreover, the company has showed map of special situation each land use right decree or land use right certificate which has informed distribution of boundary stone. The company has mechanism regarding maintenance of boundary stone where the company will conduct boundary monitoring every 6 month. The report of boundary monitoring consisted of the list and photograph of boundary stones and minute activity re-checking or monitoring of boundary stone.</li> <li>• The company has soil map with scale 1 : 35,000 and there is no fragile soil was found.</li> <li>• The company has topography map with scale 1 : 25,000. The topography of land in general was flat and only a small area has 15-25% slope.</li> </ul>	
<b>4.4.4</b>	<b>All relevant information is available in appropriate forms and languages, including assesment of impact, proposed benefit sharing, and legal arrangements.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Based on interview with stakeholders was known that at the begining of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties.</p> <p>There is no element of coercion and violence that performed by companies. This was also confirmed during stakeholders consultation with community, prominent figure and local governance.</p> <p>Planted areas of the Estate are wholly on Government land, leased under HGU. Maps have been developed for each estate indicating Legal demarcation and planted areas.</p> <p>Currently organizations have established procedure that describes the mechanism of land conflict resolution mechanisms between companies and land owners. The land cleared for oil palm plantations should ensure not be a problem and there is no dispute over land ownership. Procedure was presented to the head of the village around the plantation.</p>	
<b>4.4.5</b>	<b>Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Based on interview with stakeholders was known that at the begining of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties.</p> <p>There is no element of coercion and violence that performed by companies. This was also confirmed during stakeholders consultation with community, prominent figure and local governance.</p> <p>Planted areas of the Estate are wholly on Government land, leased under HGU. Maps have been</p>	

	<p>developed for each estate indicating Legal demarcation and planted areas.</p> <p>Currently organizations have established procedure that describes the mechanism of land conflict resolution mechanisms between companies and land owners. The land cleared for oil palm plantations should ensure not be a problem and there is no dispute over land ownership. Procedure was presented to the head of the village around the plantation.</p>					
<b>4.4.6</b>	<b>There is evidence that implementation of agreement negotiated through FPIC is annually reviewed in consultation with affected parties.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on interview with stakeholders was known that at the beginning of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties.</p> <p>There is no element of coercion and violence that performed by companies. This was also confirmed during stakeholders consultation with community, prominent figure and local governance.</p> <p>Planted areas of the Estate are wholly on Government land, leased under HGU. Maps have been developed for each estate indicating Legal demarcation and planted areas.</p> <p>Currently organizations have established procedure that describes the mechanism of land conflict resolution mechanisms between companies and land owners. The land cleared for oil palm plantations should ensure not be a problem and there is no dispute over land ownership. Procedure was presented to the head of the village around the plantation.</p>					
<b>Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</b>						
<b>4.5.1</b>	<b>Documents showing identification and assessment of demonstrable legal, customary and user rights are available.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>As described in indicator 4.4.1 above, the land currently managed by the unit of certification originally state-owned land, and before the land was conversion into oil palm plantations by the company, this was a community-owned shifting cultivation area planted with rice and secondary crops. Compensation is given to free these lands from community management.</p> <p>SEIA study has been done by the unit of certification, an assessment of the risks and impacts of oil palm operations and to identified certain areas such as food and water resources used by the community as well as their sacred sites, so that it can be managed and can still be used by the community. Identification recorded in several documents below:</p> <ul style="list-style-type: none"> <li>• <i>Dokumen Evaluasi Lingkungan Hidup (DELH)</i> PT Austindo Nusantara Jaya Agri, 2019;</li> <li>• <i>Laporan Akhir Identifikasi dan Analisis Keberadaan Nilai Konservasi Tinggi (NKT)</i> PT Austindo Nusantara Jaya Agri, Binanga, 2011, by Focus Consulting Group;</li> </ul> <p><i>Laporan Akhir Social Impact Assessment (SIA)</i> PT Austindo Nusantara Jaya Agri, 2013, by Focus Consulting Group. The document also attached records of meeting with the relevant parties (see chapter X for Social Management Plan and FGD at September 28, 2013).</p>					
<b>4.5.2</b>	<b>FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions. All the relevant information and documents are made available, and community have option of resourced access to independent third-party advice through a documented, long-term and two-way process of consultation and negotiation.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on documents review (see documents mentioned in indicator 4.5.1 above) and interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village, comprehensive FPIC process conducting by the unit of certification for all oil palm development, including community consent to new planting at the beginning of plantation development.</p> <p>See also indicators 4.4.1 and 4.4.2 above.</p>					
<b>4.5.3</b>	<b>Evidence is available that affected local peoples understand they have the right to say 'agree' or 'not agree' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with</b>					<i>Non-Critical</i>

	<b>the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.</b>					
<b>Findings</b>	In compliance:	Yes:		No:		
<b>Objective evidence:</b>	Based on interview with stakeholders was known that at the beginning of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties. There is no New planting since 2005.					
<b>4.5.4</b>	<b>To ensure local food and water security and as part of the FPIC process, SEIA participation and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of land allocations process.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p><i>DELH, NKT</i> and SIA (see indicator 4.5.1 above) was conducted at villages surrounding the plantation to identifies positive and negative social and environmental impact, and ensure local food and water security for the local community. Evidence recorded in attendance list has been provided consisting of affected parties such as villagers, head of village, religious head, and government institution representative.</p> <p>SIA studies have included access and land use rights, livelihoods, economic activities, cultural values, religion, health and education facilities, perceptions of companies, and road and lighting infrastructure, food and water security. There were records of the participatory assessment such as attendance sheet and questionnaire. The affected parties able to express views through their own representative institutions (head of village, public figure, religious head, etc.) during the identification of impacts review of findings and planning for mitigation.</p> <p>The SIA involved consultation with the affected parties, such as government agencies, company around community, cooperative, and marketing institution. The participatory assessment was conducted through discussing of the findings of SIA and the response from public and relevant government agencies. The public consultation also summarizes a number of inputs/feedback from local of member and learders communities, and related agencies in the management plan of social impact. Thus there is transparency of land allocation process.</p>					
<b>4.5.5</b>	<b>Evidence is available that the affected communities and rights holders have had the option to access information and advice, that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Impact assessment of the oil palm plantation and Mill to the community has been described in detail in the <i>DELH, NKT</i> and SIA report (see indicator 4.5.1). The unit of certification also has informed to the relevan stakeholders regarding the relevant information of company operational activities during the environmental and social impact assessment e.g. maps, agreement, records, impact assessment etc.</p> <p>The <i>DELH, NKT</i> and SIA involved consultation with the affected parties, such as government agencies, company around community, cooperative, and marketing institution. The participatory assessment was conducted through discussing of the findings of <i>DELH, NKT</i> and SIA and the response from public and relevant government agencies. The public consultation also summarizes a number of inputs/feedback from local communities, leaders' communities, and related agencies in the management plan of social impact.</p> <p>Interview with the community representative revealed that prior to development of plantation, the company had a meeting with the representative of the village to discuss any issue about the plantation development. There is no objection from the community member and that the process is running smoothly.</p> <p>All the process above described the communities have option to access information and give advice related legal, economic, environmental and social implication on their land.</p> <p>See also indicator 1.1.1 which mention documents are made publicly available.</p>					
<b>4.5.6</b>	<b>Evidence is available that the communities or their representatives gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		



<b>Objective evidence:</b>	See indicator 4.4.1 for land history, and indicators 4.4.2, 4.5.1, 4.5.4, 4.5.5 for community consent.				
<b>4.5.7</b>	<b>After 15 November 2018, new lands will not be acquired for plantations and mills as a result of recent (after November 2005) expropriations in the national interest (eminent domain) without FPIC process, except in cases of smallholders benefitting from agrarian reform or anti-drug programmes.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Based on interview with stakeholders was known that at the beginning of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties. There is no New planting since 2005.				
<b>4.5.8</b>	<b>New lands are not acquired in areas inhabited by communities in voluntary isolation.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Based on interview with stakeholders was known that at the beginning of land preparation, the company ensures that all of lands that will be cultivated have a clear status. The company has a land map according to the location permit given by the government. If there was land that become around community ownership within the area of location permit, companies will freeze the land with compensation as agreed both parties. There is no New planting since 2005.				
<b>Criterion 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.</b>					
<b>4.6.1</b>	<b>A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The unit of certification has procedures of identifying legal customary or user rights including identifying people entitled to compensation i.e. Company Policy No. 021/HR&amp;GA/CP/Pembebasan Lahan/06-09 <i>Tentang Prosedur Pembebasan Lahan</i>, June 01, 2009, signed by President Director.</p> <p>The procedure is use for identification, calculation and distribution of fair compensation for the loss of legal or customary right of the land, with involvement of both directly and indirectly affected stakeholders such as local community representatives, workers, relevant government authorities and agencies. The procedures are found to be made publicly available upon request.</p> <p>Procedures was jointly developed, agreed and accepted by local communities It has been designed with consideration to the use of appropriate existing local mechanisms and languages. Consideration has been given to the existence/formation of a multi-stakeholder forum.</p> <p>Based on interview with affected parties in Huta Baru Village, Mandasip Village, and Tobing Jae Village, the procedure has been communicated to relevant stakeholders on on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation). All steps follow and respect the FPIC principles.</p> <p>Furthermore, routine direct and indirect meeting with the stakeholder were conducted by Govrel team to ensure that communication were kept closed and any update from the communities were directly followed up.</p>				
<b>4.6.2</b>	<b>A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Procedure for calculate and distribute fair compensation same as procedur which described in indicator 4.6.1. above.</p> <p>Calculating compensation based on the agreement of both party and by considering NJOP (<i>Nilai Jual Objek Pajak</i>) which is determined based on decree of the Regional Head.</p> <p>The procedure monitored and evaluated in a participatory way and corrective actions have been</p>				

	<p>taken as a result of this evaluation. Some important things in this procedure are:</p> <ul style="list-style-type: none"> <li>• Gender differences in the power to claim rights;</li> <li>• Ownership and access to land;</li> <li>• Differences of trans-migrants and long-established communities; Schemed smallholders.</li> </ul>					
<b>4.6.3</b>	<b>Evidence is available that equal opportunities are provided to both men and women to hold land titles for smallholdings (if possible based on local law, customs and/or agreement).</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The procedures mention in indicator 4.6.1 respecting equal opportunity and applied to all rights holders without dividing into man or woman.</p> <p>The procedure is in illustration that the unit of certification does not differentiate land compensation to men and women holding land certificates (see compensation documents on indicator 4.4.1).</p>					
<b>4.6.4</b>	<b>The process and outcomes of any negotiated agreements, compensation and payments are documented with evidence of the participation of affected parties and made available to them.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The process and outcomes of any negotiated agreements, compensation and payments are documented by the unit of certification and has been described in indicators and 4.4.1 and 4.5.1 above, and made publicly upon request.</p>					
<b>Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.</b>						
<b>4.7.1</b>	<b>A mutually agreed procedure for identifying people entitled to compensation is in place.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Procedure for identifying people entitled to compensation and explanation for this indicator same as procedures in indicator 4.6.1 above.</p>					
<b>4.7.2</b>	<b>A mutually agreed procedures for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Procedure for calculating and distributing fair compensation and explanation for this indicator same as procedures in indicator 4.6.1 above.</p>					
<b>4.7.3</b>	<b>Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village, and review of documents master list employee 2022, it was confirmed that some of them (local community) are recruited for small works within the plantation and mill operations. There is also corporate social responsibility program for the village which is part of the company program that benefit the community, which has been described in the indicator 4.3.1</p>					
<b>Criterion 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.</b>						
<b>4.8.1</b>	<b>Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Based on interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village, with the managment representative, and documents review (see logbook of <i>Pengaduan Keluh Kesah Masyarakat 2018-2022</i>), there is no information stakeholders claiming to have legal, customary and/or user rights on the land for the last five years. The plantation activities</p>					

	shows all areas (mill and estate) are managed and controlled by the unit of certification.				
<b>4.8.2</b>	<b>Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Has been described in the indicator 4.8.1 above.				
<b>4.8.3</b>	<b>Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4)</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	See indicators 4.4.1 and 4.5.1 for land history. There is no evidence that the unit of certification obtained land through expropriation or forcible disregard of customary rights and previous users.				
<b>4.8.4</b>	<b>For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Has been described in the indicator 4.8.1 above.				

<b>Principle 5: Support Smallholder Inclusion</b>					
<b>Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.</b>					
<b>5.1.1</b>	<b>Current and previous period prices for FFB are publicly available and accessible by smallholders</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	PT ANJA - Binanga Mill still retain existing mechanism to purchase FFB as stated on procedure for "Pembelian TBS Luar "(Purchasing of FFB from Outgrowers) No.ANJA-F&A-SOP 07, and working agreement under the format No. 0326/COM/ANJA/2018 regarding "Surat Perjanjian Pembelian TBS Kelapa Sawit Milik Perkebunan" (Agreement Letter on FFB Purchasing). In the agreement between the company and its suppliers, it was stated that the FFB prices based on current prices are agreed by both parties and updated monthly. The prices has been determined by company with consider the FFB prices from other mills.				
<b>5.1.2</b>	<b>Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The FFB prices were available publicly as the decision of plantations agency of Sumatra Utara Province. During observation on Mill, it was also observed that the current price also can be seen on the board at Mill. The price is informed regularly using Whatsapp Group. Sighted sample of price information on 15 March 2022 (Rp 3.430 / kg of FFB), 16 March 2022 (Rp 3.400 / kg of FFB) and 19 March 2022 (Rp 3.350 / kg of FFB). The price is informed regularly using Whatsapp Group. Sighted sample of price information on 15 Apr 2022 (Rp 3.130 / kg of FFB), 16 Apr 2022 (Rp 3.100 / kg of FFB) and 19 Apr 2022 (Rp 3.150 / kg of FFB). Note: All KUD's (smallholders) are classified as an independent smallholder, and they free to sell the FFB to other mills beside Binanga Mill.				
<b>5.1.3</b>	<b>Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective</b>	The pricing will depend on the result of the meeting between stakeholders in oil palm in Sumatra				

<b>evidence:</b>	Utara Province, and by the unit of certification, this mechanism is regularly explained to smallholders.				
<b>5.1.4</b>	<b>Evidences is available that all parties, including women and independent representative organization assisting smallholders where requested, are involved in the decision making processes and understand the contracts. These include involving finance, loans/credits, and re-payments through FFB price reductions for replanting and/or, other support mechanisms where applicable.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company has the Company's Policy # 037/GM/ANJA-BNG/IM/IV-2016 regarding prohibition of any form discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age. Point 2 of the policy has clearly stated "Company open equal opportunity to each individual person with respects, dignity, free from discriminations based on gender, race, ethnic, religion and believe backgrounds".</p> <p>Based on interview and observation through company stakeholder, it was observed that all parties including women can be involved in any process of FFB selling from smallholder.</p>				
<b>5.1.5</b>	<b>Contracts are fair, legal and transparent and have an agreed timeframe</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company and third-party FFB supplier has signed contract with agrred timeframe (mostly valid for 1 year). Contract is available in Bahasa and detail as following:</p> <ul style="list-style-type: none"> <li>• Clause 1 (Object)</li> <li>• Clause 2 (Contract Validity)</li> <li>• Clause 3 (FFB Quality/Criteria, Sortage and Penalty)</li> <li>• Clause 5 (FFB Price)</li> <li>• Clause 6 (Tax)</li> <li>• Clause 7 (Right &amp; Obligation, includes Land Legality)</li> <li>• Caluse 10 (Correspondence)</li> <li>• Clause 11 (Force Majeure)</li> <li>• Claues 13 (Conflict Resolution)</li> </ul> <p>The contractual agreement has been observed with UD Maju Bersama SPK No. 0107/COM/ANJA/2020 dated 30 January 2020.</p> <p>The contractual agreement has been observed with Koperasi Perkebunan Aek Ela SPK No. 1101/COM/ANJA/2021 dated 24 Nov 2021.</p>				
<b>5.1.6</b>	<b>Agreed payments are made in a timely manner and receipts specifying price, weigh, deductions and amount paid are given</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Payment of FFB Purchasing has been determined in FFB Purchase Contract on Clause 5 FFB Price. Based on document review for FFB smallholders payment, shown that company has done payment reguraly without any delay based on FFB production. Price has been determined by company based on the FFB price from other mill. The sample of FFB payment as follow:</p> <ul style="list-style-type: none"> <li>- <i>Permintaan Dana untuk Pembayaran TBS</i> period 29 July 2021 for, UD Maju Bersama, Siti Aman Siregar, Rika Rahayu Ritonga, Kop. Perkebunan Aek Ela, and Muhammad Sapii Pasaribu.</li> <li>- In house transfer document for Rika Rahayu dated on 30 July 2021.</li> <li>- In house transfer document for Siti Awan Siregar dated on 30 July 2021.</li> </ul>				
<b>5.1.7</b>	<b>Weighing equipment is verified by an independent third party on a regular basis.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company was conducted calibration for weight bridge in the Binanga Mill by <i>Dinas Perdagangan dan Perindustrian</i> Kab. Padang Lawas Utara dated on 18 September 2020 and valid until 18 September 2021, and last update calibration 20 Sep 2021, valid until 20 Sep 22.</p>				
<b>5.1.8</b>	<b>The unit of certification supports Independent smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholder on who runs the Internal Controlling System (ICS), who holds the certificate, and who owns and sells certified materials</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	

<b>Objective evidence:</b>	The company has conduct dissemination and training on August 17 December 2021 regarding RSPO P&C interpretation to smallholders. However currently all the smallholders were independent and the relation between smallholders with mill only as common FFB supplier. During surveillance there is no information and plan form smallholders willing to join RSPO certification.				
<b>5.1.9</b>	<b>The unit of certification has a grievance mechanism for smallholders, and all grievances raised are dealt with in a timely manner.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Conflict/Grievance has been determined in FFB Purchase Contract, Clause 13 which is company will discuss the problem with the smallholder/third party first before going to <i>Pengadilan Negeri Jakarta Selatan</i> as mediator, if necessary. Based on document review, shown that there was no grievance during 2020-2021 regarding FFB Purchasing Contract.				

<b>Criterion 5.2: The unit of certification supports improved livelihood of the smallholders and their inclusion in sustainable palm oil value chain.</b>					
<b>5.2.1</b>	<b>The unit of certification consults with interested smallholders (irrespective of type), including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The company has conduct consultation session during training on August 17 December 2021 regarding RSPO P&C interpretation to smallholders. Based on minutes of meeting the topics that discussed including identification of the smallholder needs and the introduction of RSPO certification Currently all the smallholders were independent and the relation between smallholders with mill only as common FFB supplier. During surveillance there is no information and plan form smallholders willing to join RSPO certification.				
<b>5.2.2</b>	<b>The unit of certification develops and implements livelihood improvement programmes, including at least capacity building to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The company has conduct consultation session during training on August 17 December 2021 regarding RSPO P&C interpretation to smallholders. Based on minutes of meeting the topics that discussed including identification of the smallholder needs and the introduction of RSPO certification Currently all the smallholders were independent and the relation between smallholders with mill only as common FFB supplier.				
<b>5.2.3</b>	<b>Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	The company does not have any programme to promote legality for smallholder, because all the smallholders were having land certificate (SHM), land coordinate and their location were far away from primary forest.				
<b>5.2.4</b>	<b>Evidence exists that the unit of certification trains scheme smallholders on pesticide handling.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	Because all the smallholders were independent and relation between smallholders with mill only as common FFB supplier. During surveillance, there is no training program for smallholder's related pesticides handling.				
<b>5.2.5</b>	<b>The unit of certification regularly reviews and publicly reports on the progress of the smallholders support programme.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	All the smallholders were independent and relation between smallholders with mill only as common FFB supplier. However, the company annually submitted the sustainability report including the evidence of the smallholder support programme to the RSPO Secretariat with evidence as follow:				

[https://document.rspo.org/PT\\_Austindo\\_Nusantara\\_Jaya\\_Agri\\_ACOP2020.pdf](https://document.rspo.org/PT_Austindo_Nusantara_Jaya_Agri_ACOP2020.pdf)

<b>Principle 6: Respect Workers' Rights and Conditions</b>					
<b>Criterion 6.1: Any form of discrimination is prohibited.</b>					
<b>6.1.1</b>	<b>A publicity available non-discrimination and equal opportunity policy is implemented in such way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Non discrimination and equal opportunity policy are available in document of <i>Kebijakan Keberlanjutan ANJ, signed by President Director, Issued October 31, 2019</i>. It stated that the company avoid any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, and political affiliation.</p> <p>The policy publicly available and has been socialized to relevant stakeholders (e.g. communities, contractors, suppliers and all level workers) on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation). The policy also briefed to all employees every muster morning.</p> <p>Based on review of documents (see documents of Manpower Database PT ANJA, 2022; <i>Struktur dan Skala Upah Karyawan Non Staf Kebun 2022; Rekapitulasi Pembayaran Gaji Karyawan Mai, 2022</i>), interview with community representative of Huta Baru Village, Mandasip Village, and Tobing Jae Village, with labor union and workers (harvester and fertilizer) in the Central Estate, confirmed that the policy has been implemented.</p>				
<b>6.1.2</b>	<b>Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against. Evidence includes migrant workers non payment of recruitment fees.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, and documents review below:</p> <ul style="list-style-type: none"> <li>Manpower Database PT ANJA, 2022;</li> <li><i>Struktur dan Skala Upah Karyawan Non Staf Kebun 2022;</i></li> <li><i>Rekapitulasi Pembayaran Gaji Karyawan Mai, 2022</i></li> <li>Company Policy No.018/HR&amp;GA/CP/05-2009, May 2009, signed by President Director;</li> <li>SOP Rekrutmen No. SOP-HRCM-002, November 01, 2019, signed by President Director.</li> <li>Pay slip on behalf of AA/AA31/0312/104, June 2022;</li> <li>Pay slip on behalf of AA/AA22/0713/239, June 2022;</li> <li>Pay slip on behalf of AA/AA22/1114/301, June 2022;</li> <li>Training report, January 20, 2022 and February 21, 2022;</li> <li><i>Bukti Bayar BPJS Kesehatan PT ANJA PKS, June, 2022;</i></li> <li><i>Bukti Bayar BPJS Ketenagakerjaan PT ANJA Kebun, June, 2022.</i></li> <li>PT ANJA: Job Vacancy for harvester, 2022.</li> </ul> <p>There is no evidence the unit of certification discriminated againts, and no payment of recruitment fees for workers. The unit of certification implemented the equal opportunities for all employee through the following:</p> <ul style="list-style-type: none"> <li>All workers come from local and outside communities. They are many ethnic groups (Batak, Javanese, Sundanese, Minang, Melayu, etc.);</li> <li>The workers are women and men (office in the estate and mill, and plantation);</li> <li>Employment opportunities are provided fairly based on qualification and advertised in local mass media or local government office;</li> <li>Training is given to the workers on a yearly basis covering training relating to their working station, personnel training such as communication skills and safety and health training;</li> <li>All employees are covered with working insurance; and</li> </ul> <p>Termination is conducted based on local laws and is stated in the workers employment agreement and the company regulation.</p>				
<b>6.1.3</b>	<b>The unit of certification demonstrates that the recruitment selection, hiring access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	

<b>Objective evidence:</b>	<p>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, and documents review which explain the recruitment and promotion process with non discrimination approach, (see documents of <i>Kebijakan Keberlanjutan ANJ, signed by President Director, Issued October 31, 2019</i>; Company Policy No.018/HR&amp;GA/CP/05-2009, May 2009, signed by President Director; SOP <i>Rekrutmen</i> No. SOP-HRCM-002, November 01, 2019, signed by President Director), the unit of certification have implemented recruited and promoted based on skill, capabilities, qualities and medical fitness.</p> <p>According to workers, they already know the procedures and stated that recruitment and promotion process has been done without any indication discrimination measures by company.</p> <p>Based on review several documents recruitment and promotions which conducted during 2021-2022 in mill and estate (see documents of PT ANJA: Job Vacancy for harvester, 2022; <i>Daftar Usulan Promosi Non Staf Tahun 2021</i>; <i>Formulir Permintaan Tenaga Kerja</i>, January, 2022) was indicated the unit of certification only given relevant requirements which needed to be fulfilled by candidate who recruited or promoted by company e.g. medical fitness, relevant experiences in similar position, attitude, etc.</p> <ul style="list-style-type: none"> <li>The unit of certification also has Internal Memo of Reproduction Protection of Women No. 072/GM/ANJA/-BNG/IM/IX-2020 to emphasize that the company will recruit woman worker/employee based on needs and available position, also recommendation from Company's Doctor is required as part of the requirement.</li> </ul>				
<b>6.1.4</b>	<b>Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on interview with labor union, gender committee and woman workers in the Central Estate, the unit of certification not conducting pregnancy test as part of recruitment procedure. According to them, pregnancy test conducted every months only to protection of woman workers in the field. The pregnant or breastfeeding women are prohibited and are not allowed to work in fertilization and chemical work (spraying pesticides) or hazardous materials and contain poison. Women workers who are declared pregnant will be transferred to alternatif field that are not related to chemical until the end of the child breastfeeding period (1 year old of child).</p> <p>See also Memo of Reproduction Protection of Women No. 072/GM/ANJA/-BNG/IM/IX-2020</p>				
<b>6.1.5</b>	<b>A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>A Gender Committee is in place since 2020 according to letter of decree No. 045/GM/ANJA-BNG/IM/VI-2020, June 11, 2020, signed by General Manager.</p> <p>The Gender Committee formed to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women (see document of <i>Uraian Tugas</i> gender committee, signed by General Manager). The letter of decree included management composition and list of the members (see document of <i>Struktur Organisasi</i> gender committee ANJA Binanga, 2022). This organization communicated to all employees in every muster morning.</p> <p>The committee has conducted periodically meeting to discuss about issues of concern. The last meeting is September 21, 2021 (see document of <i>Notulensi Rapat Komite Gender ANJA Binanga</i>, September 21, 2021, includes list of attendees and photo documentation). Based on interview with coordinator of the committee in the mill, the programs developed by the gender committee e.g. focus on women's empowerment, protection of women and children, prevention and treatment of sexual harassment (see document of <i>Rencana dan Realisasi Program Kerja Komite Gender PT ANJA Binanga</i>, 2022).</p>				
<b>6.1.6</b>	<b>There is evidence of equal pay for the same work scope.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	

<b>Objective evidence:</b>	<p>Based on interview with Administration staff, labor union and workers (harvester and fertilizer) in the Central Estate and review several documents below:</p> <ul style="list-style-type: none"> <li>• <i>Keputusan Bupati Padang lawas Utara No. 561/5313/2021 Tentang Penetapan UMK Padang Lawas Utara Tahun 2022;</i></li> <li>• <i>Struktur dan Skala Upah Karyawan Non Staf Kebun 2022;</i></li> <li>• Pay slip on behalf of AA/AA31/0312/104, June 2022;</li> <li>• Pay slip on behalf of AA/AA22/0713/239, June 2022;</li> <li>• Pay slip on behalf of AA/AA22/1114/301, June 2022;</li> <li>• <i>Rekapitulasi Pembayaran Gaji Karyawan Mai, 2022</i></li> <li>• <i>Rekap Lembur Karyawan Mei-Juni 2022.</i></li> <li>• The unit of certification pays equal wages for all employees in the same scope of work. The name of each worker, level and amount of wages recorded in detail in the documents above.</li> </ul>				
<b>Criterion 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).</b>					
<b>6.2.1</b>	<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>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>There are Company Regulation 2020 and <i>Struktur dan Skala Upah Karyawan Non Staf Kebun 2022</i> which detailing payments and other conditions for each employee. Document in Bahasa Indonesia, explained by management official and easy to understood by the workers.</p> <p>The unit of certification arrangements several types of employment e.g. direct hires, non permanent and contractual/outsourcing. Company regulation only arrangement direct hires employee, while non permanen and contractual/outsourcing arrange in another documents i.e. contractual agreement between the unit of certification and contractors or workers.</p> <p>Documentation of pay and condition for each employee listed in pay slip and in contractual agreement (e.g. see contractual agreement No. 162/ANJA/HR/PKWTT/10/2021). Based on interview with direct hires, non permanent and outsourcing workers, confirmed they understood the documentation.</p>				
<b>6.2.2</b>	<b>Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on review of documents which mentioned in indicator 6.1.6) and other employment contracts documents, pay and condition of employment clearly detailed in the documents e.g. working hours, deductions, overtime, sick leaves, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. All documents in Bahasa Indonesia.</p> <p>Pay and condition provided in documents has been comply with decent living wage as provided by local government (see document of <i>Keputusan Bupati Padang lawas Utara No. 561/5313/2021 Tentang Penetapan UMK Padang Lawas Utara Tahun 2022; Struktur dan Skala Upah Karyawan Non Staf Kebun 2022; Rekapitulasi Pembayaran Gaji Karyawan Mai, 2022;</i> Pay slip on behalf of AA/AA31/0312/104, June 2022; Pay slip on behalf of AA/AA22/0713/239, June 2022; Pay slip on behalf of AA/AA22/1114/301, June 2022; <i>Rekap Lembur Karyawan Mei-Juni 2022</i>).</p> <p>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate and outsourcing workers in the Binanga mill, pay received and conditions consistent with the term of the contract and no complaint at all.</p>				
<b>6.2.3</b>	<b>There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, and other legal labour requirements.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company Regulation 2020 also arrange regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal and period of notice which complied to Indonesian Legal requirements (e.g. Act No. 13 of 2003 and Government Regulation No. 36 of 2021).</p> <p>Based on review of employment contract (see contractual agreement No. 162/ANJA/HR/PKWTT/10/2021) and workers pay slip period January 2022 (see indicator 6.1.6) confirmed the payment and conditions for all workers have been support legal compliance and</p>				



	<p>accordance with the applicable regulations. Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, there was no complaint related to the conditions of work.</p> <p>However, based on interviews with harvesters and labor unions during audit, information was obtained that there were harvesters who included their wives as helper to collect loose fruit without pay (called <i>pekerja gandeng</i>). This evidence raised observation.</p>				
6.2.4	<p><b>The unit of certification provides adequate housing. Sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</b></p>				Critical
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>Based on field observation at the estate and mill housing, review of <i>Daftar Inventaris Bangunan 2022 PT ANJA Binanga</i> document, and interview with the workers, the unit of certification provided the basic necessities which is complied with nasional standart such as adequate housing: permanent and non permanent; adequate electricity 450 Watt 220 Volt; clean water supplies; medical services in the clinic; primary school; children education for play group; daycare; welfare amenities: mosque and church); canteen; sport facilities (football, volley, badminton), etc.</p> <p>All the facilities and infrastructure are in good condition, and based on interview with workers in Central Estate and Mill, there was no complaint related to the facilities.</p>				
6.2.5	<p><b>The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</b></p>				Non-Critical
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>There are Eka Lestari cooperative and small store as a place to workers to providing their basic need. Other than that, the unit of certification provided bus as transportation to workers family to the local market in district and regency to obtain basic necessities.</p> <p>Moreover, based on interview with workers revealed that traditional market is only 15 minutes drive/ride from their housing.</p>				
6.2.6	<p><b>A DLW is paid to all workers in accordance with applicable regulations, including workers who work on a piece rate/quota basis, the calculation of which is based on a quota that can be achieved during regular working hours.</b></p> <p><b>Procedural Note for 6.2.6:</b></p> <p><b>The RSPO has published guidelines on the calculation of Decent Living Wage (DLW) in June 2019. Since Indonesia does not have DLW benchmark yet, the RSPO Secretariat will conduct a DLW benchmark study in accordance with the Global Living Wage Coalition (GLWC) and Indonesian laws and regulations.</b></p> <p><b>In the meantime, until DLW benchmark for Indonesia is endorsed by the RSPO, the unit of certification carries out interim measures that was published by RSPO (dated 11 November 2019), including:</b></p> <ol style="list-style-type: none"> <li>1. <b>payment of minimum wages in accordance with applicable regulations</b></li> <li>2. <b>assessment of wages paid (prevailing wages) and in-kind benefits.</b></li> </ol> <p><b>Once the DLW benchmark is available, this procedural note is no longer applicable.</b></p>				Non-Critical
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>Indonesia is one of the countries where living wage standard is determined by the government. The unit of certification pay the salary to all employee only based on national minimum wages decree letter which determined by local government (see Indicator 6.1.6 above).</p> <p>The company has calculated monthly cost for employee such as cost of rent a house, children school, food, electrical, clean water, and etc. in the field, the company has provided some facilities for employee such as, school, housing, electrical, allowance of rice, allowance for insurance, and clean water. Total wages paid include all of facilities around Rp. 3,879,488 – Rp. 5,594,510 (minimum wages according to regulation on 2022 is Rp 2,768,095). In other minimum wage, the employee also get overtime wage, annual bonus (if any), and annual holiday allowance (Natal/Eid//waisak/Nyepi). For cost of food, the employee family need around Rp 800,000 – Rp. 1,700,000 per month exclue rice (the company has given rice). The salary paid by the company is still in accordance with the employees' daily living expenses.</p>				

<b>6.2.7</b>	<b>Permanent fulltime employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Based on document review (see documents of Manpower Database PT ANJA, 2022 and <i>Daftar Pekerja PKWT ANJA Tahun 202</i> ), and interview with HR staff, labor union and workers (harvester and fertilizer) in the Central Estate, confirmed all employee at core work (harvesting in the estate and processing in the mill), are permanent workers. Non permanent employee only work on upkeep such as sprayers at replanting sites.	
<b>Criterion 6.3: The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</b>		
<b>6.3.1</b>	<b>A published statement recognizing freedom of association and right to collective bargaining in national languages is available and is explained to all workers in languages that they understand, and is demonstrably implemented.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Freedom of association and right to collective bargaining policy are available in document of Internal Memorandum No. 079/ANJA-Binanga/GM-HRD/IM/VIII/2011, August 11, 2011 signed by General Manager. The policy consist of point that stated commitment of company to respect the rights to every workers to join and associate with any labor organization.  The policy has been socialized to all level workforce, contractors, suppliers and relevant stakeholders on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i> , includes list of attendees and photo documentation), and communicated to all employees on every muster morning.  Based on interview with labor union, confirmed that all employes allowed to form associations and bargain collectively with their employer.	
<b>6.3.2</b>	<b>Minutes of meetings between the unit of certification with trade unions or worker representatives who are freely elected, are documented in the national languages and available upon request.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Based on documents review and interview with labor union, there are bipartite meeting between the unit of certification and labor union representative. For example on Notulen Meeting LKS Bipartit, May 24 2022 and June 10, 2022, includes list of attendees and photo documentation. Meeting was discussed several things such as employment, work programs, promotion of non permanent employee (PKWT) to permanent employee (PKWTT), etc. All meeting attended by company representatives and labor union. The minutes available to employees upon request.	
<b>6.3.3</b>	<b>Management does not interfere with the formation or operation of registered labour organizations/unions, or other freely elected representatives for all workers, including migrant and contract workers.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Based on interview with labor union <i>Federasi Sebundo PT ANJA</i> and <i>Federasi Serikat Buruh Lomenik PT ANJA</i> and company representative confirmed there is no interference of the unit of certification in the formation of labor union structure and management, appointment of management and in union activities. Everything was planned and conducting based on the agreement between the management and members of the union.	
<b>Criterion 6.4: Children are not employed or exploited.</b>		
<b>6.4.1</b>	<b>A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	A formal policy for protection of children including prohibition of child labour are available in document of Internal Memo No. 032/GM/ANJA-BINANGA/IM/III-2013, March 15, 2013, signed by General Manager, <i>Kebijakan Penghormatan Terhadap Hak Asasi Manusia, Perdagangan Manusia,</i>	

	<p><i>dan Kerja Paksa</i>, August 04, 2016, signed by President Director, and <i>Kebijakan Keberlanjutan ANJ</i>, signed by President Director, Issued October 31, 2019.</p> <p>The policy has been socialized to all level workforce, contractors, suppliers and relevant stakeholders on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022</i>, <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation), and communicated to all employees on every muster morning.</p> <p>Based on interview with labor union and workers (harvester and fertilizer) in the Central Estate, and outsourcing in the mill, confirmed there is no child labour in the plantation and mill.</p> <p>Based on documents review (see documents of Manpower Database PT ANJA, 2022), no child labor was found. Based on review of contractual agreement between company and their contractors the prohibition of child labour requirements included in contracts (see contractual agreement No. 104/GM/ANJA-BNG/SPK/Civil/Perbaikan Atap dan Plafon Rumah G3/VI/2022, June 27, 2022 and No. 102/GM/ANJA-BNG/SPK/WGE/Aplikasi Janjangan Kosong Manual/VI/2022, June 20, 2022).</p>					
<b>6.4.2</b>	<b>Documented evidence on the fulfillment of worker's minimum age requirements in accordance with applicable regulation and verification procedures for age requirements, are available.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The unit of certification has a Procedure of recruitment SOP Rekrutmen No. SOP-HRCM-002, November 01, 2019, signed by President Director, which stated and ensure not hiring employees under 18 years old. This minimum working age complied with national regulation (Act No.13/2003 sub chapter 68).</p> <p>Based on documents review (see documents of Manpower Database PT ANJA, 2022), interview with workers and field observation ensure that there is no child labour in the estate and mill.</p>					
<b>6.4.3</b>	<b>Young person maybe employed only for non-hazardous work with protective restrictions in place for that work.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The unit of certification and contractors are not employ worker under 18 years old at all operations area (see indicator 6.4.2 above).</p> <p>During pandemic covid-19, the unit of certification does not accept students from outside plantation/mill who do field work practice (apprenticeship) in mill and estate.</p>					
<b>6.4.4</b>	<b>The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The policies mentioned in indicator 6.4.1 has been socialized to all level workforce, contractors, suppliers, smallholders and relevant stakeholders (eg community) on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022</i>, <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation), and communicated to all employees on every muster morning.</p> <p>To prevent contractors and suppliers from employing workers below the minimum age requirement, the company incorporates this requirement into every contractual agreement (see contractual agreement No. 104/GM/ANJA-BNG/SPK/Civil/Perbaikan Atap dan Plafon Rumah G3/VI/2022, June 27, 2022 and No. 102/GM/ANJA-BNG/SPK/WGE/Aplikasi Janjangan Kosong Manual/VI/2022, June 20, 2022).</p>					
<b>Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.</b>						
<b>6.5.1</b>	<b>A policy to prevent sexual and all other form of harassment and violence is documented, implemented and communicated to all levels of the workforce</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>A formal policy to prohibit any form of sexual and all other forms of harassment and violence are available in document of <i>Kebijakan Penghormatan Terhadap Hak Asasi Manusia, Perdagangan Manusia, dan Kerja Paksa</i>, August 04, 2016, signed by President Director, and <i>Kebijakan Keberlanjutan ANJ</i>, signed by President Director, Issued October 31, 2019. The policies stated to prevent sexual and all other forms of harassment and violence in every operational activities.</p>					

	<p>The policy has been socialized to all level workforce, contractors, suppliers, smallholders and relevant stakeholders (e.g. community) on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation), and on every muster morning.</p> <p>Based on review of logbook of <i>Monitoring Keluh Kesah Pekerja ANJA Binanga 2022</i> and interview with gender committee and workers in the Central Estate, there is no case of sexual and all other forms of harassment and violence in the work place being reported.</p>	
<b>6.5.2</b>	<b>A policy to protect the reproductive rights of all, especially of women, is documented, implemented and communicated to all levels of the workforce.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>A formal policy to protect the reproductive rights of all, especially of women are available in Internal Memo No: 072/GM/ANJA-BNG/IM/IX-2020, September 17, 2020 signed by General Manager. The procedure stated the company does aware to protect the reproductive rights of all, especially of women in every operational activities.</p> <p>Based on review of logbook of <i>Monitoring Keluh Kesah Pekerja ANJA Binanga 2022</i> and interview with gender committee and workers in the Central Estate, the policy has been implemented and socialized to all level workforce, contractors, suppliers, smallholders and relevant stakeholders (e.g. community) on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation), and on every muster morning.</p>	
<b>6.5.3</b>	<b>Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified in accordance with applicable regulations in Indonesia.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The unit of certification has run assessment the needs of new mothers on January 2022. The assessment result based on new mothers opinions recorded in the document of <i>Identifikasi Kebutuhan Ibu Hamil dan Menyusui PT ANJA 2022</i>. Assessment and Identification conducting by medical staff.</p> <p>Based on field observation and interview with gender committee, confirmed the unit of certification has implemented assessment result, for example child care facilities for worker who stay outside company's housing facilities, breast feeding room facility, moving working area closer to child care facility, providing vitamin, etc.</p>	
<b>6.5.4</b>	<b>grievance mechanism, which respects anonymity and protects complainants where requested, as long as the complaint is supported with adequate information, is documented, implemented and communicated to all levels of the workforce.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The unit of certification have a mekanisme to handle employment grievances recorded in Internal Memo No. 073/GM/ANJA-BNG/IM/VIII/2017, August 29, 2019, signed by General Manager. The procedure respects anonymity and protects complainant where requested e.g. if report a grievance againts a supervisor.</p> <p>The procedure has been implemented and socialized to all level workforce, contractors, suppliers, smallholders and relevant stakeholders (e.g. community) on on March 22-26, 2022 and April 20, 2022 (see document of <i>Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022, Sosialisasi Kebijakan dan Procedure Perusahaan ANJ 2022 di Desa Tobing Jae, Desa Tarutung Sihoda, Desa Mandasip, dan Desa Huta Baru, 22-26 Maret 2022</i>, includes list of attendees and photo documentation), and on every muster morning.</p> <p>Based on the memo, foreman or assisstant is the responsible to receive and manage complaints received from the workforce and complete it no later than 14 days. If not resolved, then use the mechanism in attachment 2 of the memo.</p>	
<b>Criterion 6.6: No form of forced or trafficked labor are used.</b>		
<b>6.6.1</b>	<p><b>All work is voluntary and the following are prohibited:</b></p> <ul style="list-style-type: none"> <li>• Retention of identity documents or passports</li> <li>• Payment of recruitment fees</li> <li>• Contract substitution without worker's consent</li> <li>• Involuntary overtime</li> </ul>	<i>Critical</i>

	<ul style="list-style-type: none"> <li>• <b>Lack of freedom of workers to resign</b></li> <li>• <b>Penalty for termination of employment, unless the unit of certification and the workers agree to the penalty and it is stated in the employment agreement</b></li> <li>• <b>Debt bondage</b></li> <li>• <b>Withholding of wages</b></li> </ul>	
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Based on interviews with labor union and workers (harvester and fertilizer) in the Central Estate, and document review (see document of Manpower Database PT ANJA, 2022, and Internal Memo <i>Kebijakan Ketenagakerjaan</i> No. 038/GM/ANJA-BNG/IM/V-2020, May 06, 2020 signed by General Manager), there is no evidence there are forms of forced and trafficked labor in the company, no payment of recruitment fees, no detention of worker documents, no forced overtime work, no obstruction for workers to quit. All workers work freely and given a copy of their employment contracts which identical to the one signed at the time of recruitment (see document of <i>Serah Terima SPK Karyawan 2022</i> ).	
<b>6.6.2</b>	<b>Where temporary (Specified Time Work Agreement/PKWT) or migrant workers are employed, a specific labour policy and procedures are established and evidence of implementation is available.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>In the Internal Memo <i>Kebijakan Ketenagakerjaan</i> No. 038/GM/ANJA-BNG/IM/V-2020, May 06, 2020 signed by General Manager and SOP Rekrutmen No. SOP-HRCM-002, November 01, 2019, signed by President Director, stated that PKWT is allowed based on regulation and contract shall be agreed/approved by both parties with specific job and time. Sample contracts reviewed during audit i.e.:</p> <ul style="list-style-type: none"> <li>• Ummi Azi Zalita as Crench Operator Contract No. 049/ANJA-BNG/HRO/SPK/X/2021, March 23<sup>rd</sup> 2021. Contract Period: 1 April 2021 – 31 March 2022;</li> <li>• Rikki Karlos Situmorang as Upkeep Worker. Contract No. 061/ANJA-BNG/HRO/SPK/VI/2021, June 16<sup>th</sup> 2021. Contract Period: 1 July 2021 – 1 June 2022</li> </ul> <p>There is no migrant worker in the unit of certification, it is verified during document review, interview with labor union, workers, and related stakeholders.</p>	

<b>Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health.</b>		
<b>6.7.1</b>	<b>The responsible person(s) for H&amp;S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>P2K3 (safety committee) has been approved by government No. 87-7/DTK-SU/Wil.V/2021 dated on 16<sup>th</sup> March 2021 valid until two year next. Secretary of P2K3 PT ANJA (Mr. Adil Situmorang) has the license of General H&amp;S Expert from Ministry of Manpower.</p> <p>P2K3 (safety committee) has been approved by government No. 182-7/DTK-SU/Wil.V/2022 dated on 15<sup>th</sup> March 2022 valid until two year next. Secretary of P2K3 PT ANJA (Mr. Adil Situmorang) has the license of General H&amp;S Expert from Ministry of Manpower.</p> <p>The ssafety committee and EHS department has been monitored of safety implementation in the fied and mill. The company holds P2K3/HSE meeting at least once a month and report the meeting result to related government. P2K3 (safety committee) report the P2K3 activity quarterly, such as:</p> <ul style="list-style-type: none"> <li>• Monthly meeting on 11 Februry 2022 with attended by GM, managers, staff, and field assistant..</li> <li>• Monthly meeting on 10 Februry 2022 with attended by GM, managers, staff, and field assistant.</li> <li>• Monthly meeting on 26 February 2021 with attended by GM, managers, staff, and field assistant.</li> </ul> <p>The company has been reported quarterly regarding P2K3 activities to <i>UPT Pengawasan ketenagakerjaan Wilayah V Prov. Sumatera Utara</i>,</p>	

6.7.2	<b>Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</b>	<i>Non-Critical</i>									
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>										
<b>Objective evidence:</b>	Company has established SOP for Emergency Response (SOP EHS-018) and SOP for Handling Work Accident (SOP-EHS-030 Rev.0 dated on 06/03/2017). The emergency procedure was in place in the site and was conducted simulation every year. The company also was conducted training for first aid handling by doctor company for all supervision on 09 June 2021 that attended by 31 participants. For emergency simulation, the company was conducted on 10 June 2021 in the Binanga Mill. The company also was conducted fire control simulation for employees that involves babysitters and mothers in emplacement area. Fire handling was socialized on 18 and 28 September 2020 at Afdeling 2 East Estate Housing and Afdeling 10 West Estate and documented in the training report. Total participant that was trained amount 28 participants. First aid equipment was available in every site. the company has routinely distributed first aid kits, for example on 30 July 2021 in Division I West Estate.										
6.7.3	<b>Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</b>	<i>Critical</i>									
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input type="checkbox"/>										
<b>Objective evidence:</b>	Company has Occupational Health and Safety (OHS) program which is including with training program for workers at mill and estate and provide of PPE. Last update for Binanga Mill has provided safety shoes on 2022 and safety mask, safety gloves. In the East Estate, Central Estate, and West Estate has provided safety helm, safety boot, gloves, and mask. Sanitation facility also has been provided in chemical store and in the field. The implementation of PPE will be check when onsite audit.										
6.7.4	<b>All workers are provided medical care and covered by accident insurance. Costs incurred from work related incidents, leading to injury or illness, are covered in accordance with applicable regulations or by the unit of certification if applicable regulations do not provide protection.</b>	<i>Non-Critical</i>									
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>										
<b>Objective evidence:</b>	All workers and staff have been covered the social and health insurance program (BPJS program). As such, any work accident will be covered by the company until BPJS is officially available. BPJS Payment period Apr 2022 : <ul style="list-style-type: none"> <li>- BPJS Kesehatan (Health Insurance) for mill &amp; sstate For 1,433 Employees, 31 husbands, 807 wives, and 2016 children, VA number: 8988890004740011</li> <li>- BPJS Ketenagakerjaan (Labour Insurance) For 125 Employees mill, payment code: 220405379115</li> <li>- BPJS Ketenagakerjaan (Labour Insurance) for 1,174 Employees estate, payment code: 220405381228</li> </ul> The company has provided with medical care (2 clinics) for workers and their families at Central and West estates. Clinic at Central estate also covers East estate.										
6.7.5	<b>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</b>	<i>Non-Critical</i>									
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>										
<b>Objective evidence:</b>	Company has monitored Lost Time Accident (LTA) and done investigation if there was any injuries. PT. ANJA LTA Record Fiscal Year January – July 2021 : <table border="1" data-bbox="352 1805 1166 1962"> <thead> <tr> <th>Unit</th> <th>Accident</th> <th>Days Lost</th> </tr> </thead> <tbody> <tr> <td>Binanga Mill</td> <td>0</td> <td>0</td> </tr> <tr> <td>All Estate</td> <td>0</td> <td>0</td> </tr> </tbody> </table> Remark: IFR : Injury Frequency Rate (Total Accident x 10 <sup>6</sup> / Man Hours). All of accident that happened has been investigated by EHS Departement and documented in the		Unit	Accident	Days Lost	Binanga Mill	0	0	All Estate	0	0
Unit	Accident	Days Lost									
Binanga Mill	0	0									
All Estate	0	0									

investigation form.

<b>Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment</b>					
<b>Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>					
<b>7.1.1</b>	<b>IPM plans are implemented and monitored to ensure effective pest control.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company has Integrated Pest Management (IPM) plan, shown by implementation, such as:</p> <ul style="list-style-type: none"> <li>Company has done rat census and caterpillar census every 2 months and based on census result in 2021 shown that rat and caterpillar damage was still in control/under threshold limit. However, in the replanting area (East Estate) still any <i>Oryctes sp</i> attack in immature palm oil. The company has been conducted hand picking for larva of <i>Oryctes</i> in January – December. After legume cover crop has been covered replanting area, there is no larva of <i>Oryctes sp</i> in the replanting area and the company only applied the pesticide with active ingredient carbosulfan with target just until November.</li> <li>Company has houses of owl (gupon) which used as predator to rat. Company monitor owl barn every month by checking barn condition, owl, egg, etc. Based on document review of owl barn monitoring in East Estate shown there was 70 owls with 123 barns, also 5 eggs.</li> <li>Company has beneficial plant program with <i>turnera subulata</i>, <i>cassia sp</i> and <i>antigonon sp</i> as place for predator to control caterpillar damage. Based on field visit, main road and collection road was planted by <i>turnera subulata</i>, <i>cassia sp</i> and <i>antigonon sp</i>.</li> </ul>				
<b>7.1.2</b>	<b>Invasive species are not to be used according to applicable regulation in managed areas, unless plans to prevent and monitor their spread are implemented.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company has been identified invasive species in the field. Based on identification, there is no invasive species that used by company. The invasive species that identified, just only as weeds in the field such as, <i>lantana camara</i>, <i>passiflora floetida</i>, <i>asystasia sp</i>, and <i>mikania mcrantha</i>. The company has programme and procedure to control of weeds in the field.</p>				
<b>7.1.3</b>	<b>There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Based on observation and interview to pesticide applicator on all estate. There is no evidence that the company ever use fire for pest control</p>				
<b>Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.</b>					
<b>7.2.1</b>	<b>Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company have a list of agrochemical &amp; LD50 year 2019 (REK-ANJA-SCD-06) and justification of use or function each agrochemical where type of agrochemical was used such as :</p> <ul style="list-style-type: none"> <li>Herbicide group: Garlon 670EC (ingredient : <i>triclopyr butoxy ethyl ester</i> 670 gr/l); Lindomin 865 SL (ingredient: <i>2.4-D dimetil amina</i> 865 gr/l); Amiphosate ultra 540 SL (ingredient : <i>kalium glifosat</i> 540 g/l); Basta 150 SL (ingredient: <i>ammonium glufosinat</i> 150 g/l), Glufo 150 SL (ingredient : <i>ammonium glufosinat</i> 150 g/l); Bionasa 480 SL (ingredient : <i>isopropil amina gliosat</i> 480 g/l), BM Metron 20 WG (ingredient : <i>metil metsulfuron</i> 20%), Becano 500 SC (ingredient : <i>indaziflam</i> 500 g/l), and Trendy 20 WG (ingredient: <i>metil metsulfuron</i> 20%)</li> <li>Insecticide group: Dipel SC (ingredient : <i>bacillus thuringiensis</i>); Antong 75 SP (ingredient : <i>asephate</i> 75%), Fenval 200 EC (ingredient: <i>fenvalent</i> 204.28 g/l), Sime RB Pheromone 1000 SL (ingredient: <i>etil-4-metiloktanoat</i> 999.9 g/l), Metaribb (ingredient: <i>metarrhizium anisopliae</i>), Marshal 5 G (ingredient: <i>karbosulfan</i> 5%), Decis 25 EC (ingredient: <i>deltametrin</i> 25 g/l), Sevin 85 SP (ingredient: <i>carbaryl</i> 85%)</li> <li>Fungicide group: Bayfidan 3 g (ingredient: <i>triadimenol</i> 3%)</li> <li>Additive or mixer: Agristick (ingredient : <i>alkilari poliglikol eter</i>)</li> </ul>				

	<p>Every agrochemical above has explained regarding product permit number, expired time, issued by, maximum dosis for poisoning level (LD 50 (mg/kg)) if via oral, inhalasi and skin, and agrochemical status every year, example:</p> <ul style="list-style-type: none"> <li>• Garlon has function herbicide to weight leaf, product permit number: RI. 0103011984695, , issued by PT Dow AgroSciences Indonesia; LD 50 (mg/kg) via oral 1,581 mg/kg, via inhalasi not available, via skin &gt; 2,000 mg/kg.</li> <li>• Glufo 150 SL has function herbicide to weight leaf, product permit number: RI. 01030120052266, issued by PT Biotis Agrindo; LD 50 (mg/kg) via oral 1.73 mg/kg, via inhalasi not available, via skin 593 mg/kg.</li> <li>• Trendy 20 WG as function herbicide to weight leaf, product permit number: RI. 01030120072693, issued by PT Dharma Guna Wibawa; LD 50 (mg/kg) via oral &gt;2000 mg/kg, via inhalasi not available, via skin &gt;2000 mg/kg.</li> </ul> <p>Recommendation of using agrochemical (l/ha) refer to recommendation of agrochemical from internal company or government</p>																																																																																												
7.2.2	<b>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) are provided.</b>				<i>Critical</i>																																																																																								
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Objective evidence:	<p>Record of pesticides use are provided during audit (including brand name, LD 50, and active ingredient). The record was documented on a monthly basis updated by field assistant of each estate. Sighted sample of record for period 2021:</p> <table border="1" data-bbox="368 864 1337 2022"> <thead> <tr> <th>Estate</th> <th>Active Ingredient</th> <th>% A.I</th> <th>Total Chemical Applied</th> <th>Area Treated (ha)</th> <th>Amount A.I applied per ha</th> </tr> </thead> <tbody> <tr> <td rowspan="9">WTE</td> <td><i>kalium glifosat</i></td> <td>540 g/l</td> <td>79.15 Liter</td> <td>255.72</td> <td>13.50</td> </tr> <tr> <td><i>alkilaril poliglolikol eter</i></td> <td></td> <td>1.43 Liter</td> <td>152.54</td> <td>0.18</td> </tr> <tr> <td><i>triclopyr butoxy ethyl ester</i></td> <td>670 g/l</td> <td>72.54 Liter</td> <td>2,133.24</td> <td>11</td> </tr> <tr> <td><i>2.4-D dimetil amina</i></td> <td>865 g/l</td> <td>12.71 Liter</td> <td>1,996.46</td> <td>3.47</td> </tr> <tr> <td><i>amonium glufosinat</i></td> <td>150 g/l</td> <td>36.58 Liter</td> <td>214.4</td> <td>1.73</td> </tr> <tr> <td><i>metil metsulfuron</i></td> <td>20 %</td> <td>92,793.60 Gram</td> <td>5,303.82</td> <td>5.83</td> </tr> <tr> <td><i>amonium glufosinat</i></td> <td>150 g/l</td> <td>179.3 Liter</td> <td>324.66</td> <td>8.49</td> </tr> <tr> <td><i>Isopropil amina glifosat</i></td> <td>480 g/l</td> <td>615.69 Liter</td> <td>1,651.12</td> <td>93.34</td> </tr> <tr> <td><i>Glyphosate</i></td> <td>486 g/l</td> <td>556.97 Liter</td> <td>1,941.52</td> <td>85.49</td> </tr> <tr> <td rowspan="7">WGE</td> <td><i>Bacillus thuringiensis</i></td> <td></td> <td>270.37 Liter</td> <td>540.74</td> <td>0.022</td> </tr> <tr> <td><i>alkilaril poliglolikol eter</i></td> <td></td> <td>79.75 Liter</td> <td>3,987.50</td> <td>10.79</td> </tr> <tr> <td><i>triclopyr butoxy ethyl ester</i></td> <td>670 g/l</td> <td>31 Liter</td> <td>155</td> <td>5.03</td> </tr> <tr> <td><i>2.4-D dimetil amina</i></td> <td>865 g/l</td> <td>8.88 Liter</td> <td>147.99</td> <td>2.60</td> </tr> <tr> <td><i>amonium glufosinat</i></td> <td>150 g/l</td> <td>359.80 Liter</td> <td>479.73</td> <td>18.26</td> </tr> <tr> <td><i>metil metsulfuron</i></td> <td>20 %</td> <td>155,955.80 Gram</td> <td>9,173.88</td> <td>10.55</td> </tr> <tr> <td><i>Acephate</i></td> <td>75 %</td> <td>321 Liter</td> <td>16,050</td> <td>0.081</td> </tr> </tbody> </table>					Estate	Active Ingredient	% A.I	Total Chemical Applied	Area Treated (ha)	Amount A.I applied per ha	WTE	<i>kalium glifosat</i>	540 g/l	79.15 Liter	255.72	13.50	<i>alkilaril poliglolikol eter</i>		1.43 Liter	152.54	0.18	<i>triclopyr butoxy ethyl ester</i>	670 g/l	72.54 Liter	2,133.24	11	<i>2.4-D dimetil amina</i>	865 g/l	12.71 Liter	1,996.46	3.47	<i>amonium glufosinat</i>	150 g/l	36.58 Liter	214.4	1.73	<i>metil metsulfuron</i>	20 %	92,793.60 Gram	5,303.82	5.83	<i>amonium glufosinat</i>	150 g/l	179.3 Liter	324.66	8.49	<i>Isopropil amina glifosat</i>	480 g/l	615.69 Liter	1,651.12	93.34	<i>Glyphosate</i>	486 g/l	556.97 Liter	1,941.52	85.49	WGE	<i>Bacillus thuringiensis</i>		270.37 Liter	540.74	0.022	<i>alkilaril poliglolikol eter</i>		79.75 Liter	3,987.50	10.79	<i>triclopyr butoxy ethyl ester</i>	670 g/l	31 Liter	155	5.03	<i>2.4-D dimetil amina</i>	865 g/l	8.88 Liter	147.99	2.60	<i>amonium glufosinat</i>	150 g/l	359.80 Liter	479.73	18.26	<i>metil metsulfuron</i>	20 %	155,955.80 Gram	9,173.88	10.55	<i>Acephate</i>	75 %	321 Liter	16,050	0.081
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<b>7.2.3</b>	<b>Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.</b>					<i>Critical</i>																															
<b>Findings</b>	In compliance:	Yes:		No:																																	
<b>Objective evidence:</b>	<p>Company has Integrated Pest Management (IPM) plan, shown by implementation, such as:</p> <ul style="list-style-type: none"> <li>Company has done rat census and caterpillar census every 2 months and based on census result in 2021 shown that rat and caterpillar damage was still in control/under threshold limit. However, in the replanting area (East Estate) still any <i>Oryctes sp</i> attack in immature palm oil. The company has been conducted hand picking for larva of <i>Oryctes</i> in January – December 2020. After legume cover crop has been covered replanting area, there is no larva of <i>Oryctes sp</i> in the replanting area and the company only applied the pesticide with active ingredient carbosulfan with target just until November.</li> <li>Beneficial planting program using <i>Turnera Subulata</i> as a place for predator to control caterpillar damage. Record of beneficial planting as follow: <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th rowspan="2">Estate</th> <th colspan="3">Beneficial Plant (m)</th> </tr> <tr> <th>Antigonon L</th> <th>Turnera S</th> <th>Casia C</th> </tr> </thead> <tbody> <tr> <td>WTE</td> <td style="text-align: center;">-</td> <td style="text-align: center;">13,791</td> <td style="text-align: center;">-</td> </tr> <tr> <td>WGE</td> <td style="text-align: center;">-</td> <td style="text-align: center;">63,020</td> <td style="text-align: center;">-</td> </tr> <tr> <td>WBE</td> <td style="text-align: center;">-</td> <td style="text-align: center;">53,175</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> </li> <li>Company has houses of owl (gupon) which used as predator to rat. Company monitor owl barn every month by checking barn condition, owl, egg, etc. Record of the barn owl box as follow: <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th>Estate</th> <th>Barn Owl Box</th> <th>Owl Occupancy</th> </tr> </thead> <tbody> <tr> <td>WTE</td> <td style="text-align: center;">116</td> <td style="text-align: center;">58</td> </tr> <tr> <td>WGE</td> <td style="text-align: center;">88</td> <td style="text-align: center;">68</td> </tr> <tr> <td>WBE</td> <td style="text-align: center;">102</td> <td style="text-align: center;">113</td> </tr> </tbody> </table> </li> </ul>						Estate	Beneficial Plant (m)			Antigonon L	Turnera S	Casia C	WTE	-	13,791	-	WGE	-	63,020	-	WBE	-	53,175	-	Estate	Barn Owl Box	Owl Occupancy	WTE	116	58	WGE	88	68	WBE	102	113
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<b>7.2.4</b>	<b>There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in Indonesia best practice guidelines.</b>					<i>Non-Critical</i>																															
<b>Findings</b>	In compliance:	Yes:	X	No:																																	
<b>Objective evidence:</b>	There is no evidence the use of prophylactic pesticides applied in the field by the certification unit. Any application or use of prophylactic pesticides should be under justification of R&D Department.																																				
<b>7.2.5</b>	<b>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat,</b>					<i>Non-Critical</i>																															

	<p>are not to be used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks.</p> <p><b>The due diligence refers to:</b></p> <ol style="list-style-type: none"> <li>a. <b>Judgment of the threat and verify why this is a major threat</b></li> <li>b. <b>Why there is no other alternative which can be used.</b></li> <li>c. <b>Which process was applied to verify why there is no other less hazardous alternative.</b></li> <li>d. <b>Process to limit the negative impacts of the application.</b></li> <li>e. <b>Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.</b></li> </ol>	
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<ul style="list-style-type: none"> <li>• Company has a special policy regarding commitment not use agrochemical which avoided by national and international regulation (WHO category 1A &amp; 1B or conversion of Stockholm and Rotterdam) and also paraquat, stated in Sustainability Policy dated on July 2019.</li> <li>• Company has SOP of agrochemical and their management (SOP-AGR-18) which has explained type or group agrochemical, matter required attention by agrochemical operator, keeping agrochemical, poisoning agrochemical and their symptom and first aid action for poisoning agrochemical. Moreover, the company have SOP of using agrochemical (SOP-AGR-19) which was explained regarding how to use agrochemical with safe, poisoning level, keeping agrochemical with safe for preventive action, mixing agrochemical and application, first aid if any poisoning, how to using and maintenance of apron.</li> <li>• The company does not apply pesticides categorized in Class 1A or 1B by World Health Organization and Paraquat</li> </ul>	
<b>7.2.6</b>	<b>Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they conduct.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>All worker who handling pesticides are facilitated with appropriate protective equipment such as mask, googles, glove, shoes and apron. All workers are tranied and has a good understanding how to use the pesticedes including emergency responds procedure. Training and dissemination records were sighted (see 4.5.2). Pesticide use and handling was documented (see 4.6.2).</p> <p>Personnel interviewed can clearly explain the type of work including work methods and goals, materials used (pesticides) including the dosage and danger, personal protective equipment and first aid. It was noted that pesticide usage were approved and registered.</p>	
<b>7.2.7</b>	<b>Storage of all pesticides in accordance with recognized best practices.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Based on observation during audit to all estate chemical warehouse, it was found that the storage of all pesticides in accordance with recognized best practices. Training regarding working instruction, safety operational procedure, and spillage handling in chemical store has been conducted in those estates, below. Training by Safety Officer on 21 April 2022, to 1 PIC Store in Estate.</p>	
<b>7.2.8</b>	<b>All pesticide containers that are disposed of and/or used for other purposes are managed according to applicable regulations and/or instructions on the packaging.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Pesticide Containers have been disposed and managed according to applicable regulations, shown by Hazardous Waste Manifest.</p> <p>The company has Hazardous Waste Logbook to record and monitor all Hazardous Waste, including Pesticide Containers. Safety Officer will make appointment with licensed hazardous waste contractor regularly for disposal. If the company need to use for other purpose (e.g mixing pesticide), the PIC need to make Berita Acara/Announcement Notification to reuse the containers restrictively.</p>	
<b>7.2.9</b>	<b>Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant informationis provided to affected local communities at least 48 hours prior to application of aerial spraying.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	

<b>Objective evidence:</b>	Based on interview and observation, no aerial spraying activity in the company area				
<b>7.2.10</b>	<b>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>During period 2020 and 2021 the company did not conducted specific medical surveillance for pesticide operator. The postponement of medical surveillance was based on letter from Ministry of Labour no. M/7/AS.02.02/V/2020. The company also sent the letter to “Kepala UPT Pengawas Ketenagakerjaan Wilayah 5 Sumatera Utara” to inform the postponement of the medical surveillance on 17 February 2021 (letter no. 015/GM/ANJA-BNG/EM/II-2021). As an alternative, the company was conducted physical medical surveillance for all employees on company clinic.</p> <p>For period 2022, the company has a plan to conduct specific medical surveillance on July - August 2022. The medical surveillance was also included on budget for 2022. The company is encouraged to make sure the plan can be executed due to covid 19 case is now declining. <b>OFI #1</b></p>				
<b>7.2.11</b>	<b>No pesticide-related work is carried out by pregnant or breastfeeding women, or people with medical limitations and they are offered other equivalent work alternatives.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	During observation and interview to pesticide and manuring activity in all estate of the company, no pregnant or breastfeeding woman apply chemical are found by auditor. The employees also well understood of company procedure.				

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

<b>7.3.1</b>	<b>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented in accordance with applicable laws and regulations.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>The company has established methods for identifying the source and type of waste and mechanisms for waste management according the SOP of waste management plan (SOP-EHS-008). The procedure has identified source of all waste and pollution from the mill and estate, including handling mechanisms for used agrochemical packaging and chemicals.</p> <p>The company has carried out identification of pollution and emission source based on the result of environment impact identification (FRM-SOP SCD 09-01) as example environment impact from boiler activity/operational every day with normal condition is fog or smoke (emission). Based on condition it that boiler operation is one of significant aspect which shall be concern in environment management.</p> <p>The waste products from estate generally were domestics waste and also several hazardous waste from estate operations activities as detailed below (but not limited): ex-pesticides containers (bottles and jerry cans), used oils, used battery from the vehicles, plastics, medical waste (first aid usage), contaminated rags, fertilizer containers, used lamps, used tires, used batteries, and used oil filters.</p> <p>While at the Mill it was several hazardous waste generated from the mill operations, in detailed below (but not limited): POME, Boiler ash, used chemicals jerry can and bottles, used gunny sacks from chemicals materials, scrap from workshop activities, used oil from workshop materials, contaminated rags from workshop activities, used lamps, used tires, used batteries, and used oil filters.</p> <p>As an effort to manage B3 waste, the company has a Temporary Hazardous Waste Storage Permit (TPS LB3) issued by Kepala Dinas Penanaman Modal dan Pelayanan Perizinan Terpadu Satu Pintu Kab. Paluta # 503/0006/1-LB3/VII/2020 dated on 15 Juli 2020 (valid 10 Juli 2024). Location of TPS LB3 at Central Workshop.</p> <p>The company has an agreement with a third party for the management of hazardous waste, namely PT Amindy Barokah, hazardous waste transporter and collection company. The hazardous waste transporter has a Hazardous Waste Management Permit issued via OSS dated on 12 April 2019. Beside that, PT Amindy Barokah als has letter from MenLHK# S.439/Menlhk/Setjen/PLB.3/7/2019 dated on 10 July 2019 concerning <i>pernyataan telah terpenuhinya pemenuhan komitmen PT Amindy Barokah Sumut</i>.</p> <p>The company can show records of LB3 management including agrochemicals, for examples:</p> <ul style="list-style-type: none"> <li>Waste Balance Sheet periode April to June 2021 which records the entry and exit of LB3.</li> <li>Based on document verification, the company sent LB3 to the licensed LB3 Collection Company</li> </ul>				

	<p>recorded in the LB3 manifest document for examples:</p> <ul style="list-style-type: none"> <li>- Manifest document # AVT 0014729 dated on 16.03.21, used filter, qty: 0.112 ton, Nopol: BK8331 MO (permit# S.924/VPLB3/PPLB/PLB.3/11/2016) → KLH-686000009098UF</li> <li>- Manifest document # AVT 0014733 dated on 16.03.21, medical waste, qty: 0.047 ton, Nopol: BK8331 MO (permit# S.924/VPLB3/PPLB/PLB.3/11/2016) → KLH-686000009102UF.</li> <li>• LB3 management report for the period of Apr s.d Jun 2021 sent to KLHK via online (<i>Si Raja Limbah Online</i>).</li> <li>• LB3 management report for the period of January s.d March 2022 to DLH Padang Lawas Utara Regency, 11 April 2022.</li> </ul>	
<b>7.3.2</b>	<b>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has a Temporary Hazardous Waste Storage Permit (TPS LB3) issued by Kepala Dinas Penanaman Modal dan Pelayanan Perizinan Terpadu Satu Pintu Kab. Paluta # 503/0006/1-LB3/VII/2020 dated on 15 Juli 2020 (valid 10 Juli 2024). Location of TPS LB3 at Central Workshop. Sample of Hazardous Waste Management (Manifest), such as :</p> <ul style="list-style-type: none"> <li>• No. KLHK-1648681609, Contaminated Rags, 0.006 Ton, Date : 7 March 2022. Transport by PT. Amindy Barokah.</li> <li>• No. KLHK-1648682270, Used Oil filter, 0.167 Ton, Date : 7 March 2022. Transport by PT. Amindy Barokah.</li> <li>• No. KLHK-1648680608, Used battery, 0.02 Ton, Date : 7 March 2022. Transport by PT. Amindy Barokah.</li> </ul> <p>PT. Amindy Barokah has an MOU with LB3 final processors that have received permits from the government including PT Wastec International and PT Trigunapratama Abadi. Based on the document review, the MOU and the final processing permit are still valid.</p>	
<b>7.3.3</b>	<b>The unit of certification does not use open fire for waste disposal.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The Company and supply bases did not use open fire for waste disposal. As described above, all hazardous waste generated from all activity at plantation and mill delivered to the licensed hazardous waste transporter. While domestic waste has been delivered to landfill. Based on field visits at landfill area at each estate, found domestic waste was disposed to the landfill.</p>	

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

<b>7.4.1</b>	<b>Good agricultural practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts is documented.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Company has a procedure of fertilization i.e. SOP of fertilizer and fertilizing (SOP-AGR-11) and it has implemented on filed. To maintain soil fertility and improve soil structure, the company uses both anorganic fertilizer and organic fertilizer and implements good agriculture practices such as planting legume as cover crops, placing frond stack on inter-row.</p> <p>Company has soil and leaf analysis procedure (SOP-AGR-26). In the procedure stated that the leaf analysis conducted once a year or every year and soil analysis conducted every 7 year. Soil analysis is conducted by PT Nusa Pusaka Kencana (as laboratorium) where the last report was in 08 April 2019. Latest leaf or foliar analysis report has carried out on 06<sup>th</sup> May 2020 by PT Nusa Pusaka Kencana Analytical &amp; QC Laboratory (Asian Agri Research &amp; Development Centre) and report issued on 6<sup>th</sup> May 2020 (ref No. 075/RD/EXT/L/MEI/20). Fertilizer recommendation based on leaf/ foliar analysis and the latest analysis will be used for fertilizer application in 2021. In other that, the company was applied EFB in replanting area and POME application in the Central Estate as effort to maintain soil fertility.</p>	
<b>7.4.2</b>	<b>Analysis of tissue samples (e.g. leaves) and soil on a regular basis to monitor and manage changes in soil fertility and plant health is documented.</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Company has soil and leaf analysis procedure (SOP-AGR-26). In the procedure stated that the leaf analysis conducted once a year or every year and soil analysis conducted every 7 year. Soil analysis</p>	

	is conducted by PT Nusa Pusaka Kencana (as laboratorium) where the last report was in 08 April 2019. Latest leaf or foliar analysis report has carried out on 06 <sup>th</sup> May 2020 by PT Nusa Pusaka Kencana Analytical & QC Laboratory (Asian Agri Research & Development Centre) and report issued on 6 <sup>th</sup> May 2020 (ref No. 075/RD/EXT/L/MEI/20). Fertilizer recommendation based on leaf/ foliar analysis and the latest analysis will be used for fertilizer application in 2021. In other that, the company was applied EFB in replanting area and POME application in the Central Estate as effort to maintain soil fertility.			
<b>7.4.3</b>	<b>A nutrient recycling strategy is in place, which include the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.</b>			<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	Company has nutrient recycling strategy which include use of Empty Fruit Bunches (EFB) and Palm Oil Mill Effluent (POME). POME is used in division III, V, and VI (Central Estate) where the locations are the nearest from the mill. POME has been produced 220,927 m <sup>3</sup> in 2020 and POME only used in company with 2 outlet flowmeters. Based on field visit in the Central Estate, flowmeter run properly and there was POME operator who was controlled and monitored the discharged process.			
<b>7.4.4</b>	<b>Records of fertilizer inputs are maintained.</b>			<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	The company has been recorded of fertilizer application during 2021 and 2022 in the <i>Realization of Fertilizer Application</i> . During 2021, the company has been applied NK compound, HGFB, Urea, MOP, and ZA. The percentage of application is around 97% and will be complete in the next year 2022. The company has been applied the fertilizer based on recommendation of fertilizer.			

**Criterion 7.5: Practices minimise and control erosion and degradation of soils.**

<b>7.5.1</b>	<b>Maps that identify marginal and fragile soils, including steep sloped land are available.</b>			<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	Company has soil map with scale 1 : 35,000. Based on soil map shows that soil type consist of: sandy clay loam, sandy clay, sandy loam, clay, clay loam and loamy sandy. PT ANJ Agri – Binanga as a member of ANJ Group has developed <i>SOP Pengelolaan Tanah Marginal</i> or Marginal Soil Maintenance (SOP-AGR-06) dated on 1 August 2012 for managing fragile soils. Based on soil maps, there is no marginal soil and peat soil in the company area.  The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Mucuna sp</i> and <i>Pueraria javanica</i> . Based on field visit to replanting area east estate, the company has made terrace and planting legume cover crop properly.			
<b>7.5.2</b>	<b>The replanting of palm oil is not conducted extensively on steep terrain in accordance with applicable regulations.</b>			<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Mucuna sp</i> and <i>Pueraria javanica</i> . Based on field visit to replanting area east estate, the company has made terrace and planting legume cover crop properly  During observation, there is no evidence that the replanting of palm oil is conducted on steep terrain			
<b>7.5.3</b>	<b>New palm oil planting is not conducted on steep terrain in accordance with applicable regulations.</b>			<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:
<b>Objective evidence:</b>	The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Mucuna sp</i> and <i>Pueraria javanica</i> . Based on field visit to replanting area east estate, the company has made terrace and planting legume cover crop properly  During observation, there is no evidence that the replanting of palm oil is conducted on steep terrain			

<b>Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, the results are incorporated into plans and operations.</b>					
<b>7.6.1</b>	<b>Evidence of long-term land suitability for oil palm cultivation, soil maps or soil surveys that identify marginal and fragile soils, including steep terrain are available, in planning and operations.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company has soil map with scale 1 : 35,000. Based on soil map shows that soil type consist of: sandy clay loam, sandy clay, sandy loam, clay, clay loam and loamy sandy. PT ANJ Agri – Binanga as a member of ANJ Group has developed <i>SOP Pengelolaan Tanah Marginal</i> or Marginal Soil Maintenance (SOP-AGR-06) dated on 1 August 2012 for managing fragile soils. Based on soil maps, there is no marginal soil and peat soil in the company area.</p> <p>The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Muccuna sp</i> and <i>Pueraria Javanica</i>. Based on field visit to replanting area <i>east estate</i>, the company has made terrace and planting legume cover crop properly.</p>				
<b>7.6.2</b>	<b>Extensive planting on marginal and fragile soils is avoided or, if necessary, carried out according to the best-practice soil management plan.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company has soil map with scale 1 : 35,000. Based on soil map shows that soil type consist of: sandy clay loam, sandy clay, sandy loam, clay, clay loam and loamy sandy. PT ANJ Agri – Binanga as a member of ANJ Group has developed <i>SOP Pengelolaan Tanah Marginal</i> or Marginal Soil Maintenance (SOP-AGR-06) dated on 1 August 2012 for managing fragile soils. Based on soil maps, there is no marginal soil and peat soil in the company area.</p> <p>The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Muccuna sp</i> and <i>Pueraria Javanica</i>. Based on field visit to replanting area <i>east estate</i>, the company has made terrace and planting legume cover crop properly.</p> <p>During observation, there is no evidence that the extensive planting of palm oil is conducted on marginal and fragile soils</p>				
<b>7.6.3</b>	<b>Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.</b>				<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>Company has soil map with scale 1 : 35,000. Based on soil map shows that soil type consist of: sandy clay loam, sandy clay, sandy loam, clay, clay loam and loamy sandy. PT ANJ Agri – Binanga as a member of ANJ Group has developed <i>SOP Pengelolaan Tanah Marginal</i> or Marginal Soil Maintenance (SOP-AGR-06) dated on 1 August 2012 for managing fragile soils. Based on soil maps, there is no marginal soil and peat soil in the company area.</p> <p>The company has topography map with scale 1 : 25,000. The topography of land in general was flat. Only a small area has 15 - 25% slope and to prevent this area from erosion, the company has developed land and water conservation program. The program includes terracing and planting leguminosae cover crop such as <i>Muccuna sp</i> and <i>Pueraria Javanica</i>. Based on field visit to replanting area <i>east estate</i>, the company has made terrace and planting legume cover crop properly.</p>				

<b>Criterion 7.7: No new planting on peatlands, regardless of depth, after November 15th, 2018 and all peatlands are managed responsibly.</b>					
<b>7.7.1</b>	<b>No new planting on peatlands, regardless of depth, after 15 November 2018, in existing plantation areas, as well as in new development areas</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	<p>N/A. No peat land, no water management plan for peat land.</p> <p>Company has soil map with scale 1 : 35,000. Based on soil map shows that soil type consist of: sandy clay loam, sandy clay, sandy loam, clay, clay loam and loamy sandy. PT ANJ Agri – Binanga as a member of ANJ Group has developed <i>SOP Pengelolaan Tanah Marginal</i> or Marginal Soil Maintenance (SOP-AGR-06) dated on 1 August 2012 for managing fragile soils. Based on soil</p>				

	maps, there is no marginal soil and peat soil in the company area.				
<b>7.7.2</b>	<b>Peat areas within the managed area are inventoried, documented and reported to the RSPO Secretariat (effective from November 15, 2018).</b>				<i>Non-Critical</i>
	<i>Procedural Note: Maps and other documentation for peatlands are provided, prepared and shared according to the RSPO Working Group (Peatland Working Group / PLWG) audit guide (See Procedural Notes for Indicator 7.7.5 below).</i>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	N/A. No peat land, no water management plan for peat land				
<b>7.7.3</b>	<b>Peat subsidence is monitored, documented, and minimized.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	N/A. No peat land, no water management plan for peat land				
<b>7.7.4</b>	<b>Availability of implementation evidence of the water and land cover management program.</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	N/A. No peat land, no water management plan for peat land				
<b>7.7.5</b>	<b>Drainability assessments are conducted for plantations planted on peat following the RSPO Drainability Assessment Procedure, or other method recognized by RSPO, (at least five years or in accordance with the provisions of the RSPO Drainability Assessment Procedure) before replanting. The results of the assessment are used to determine the period of replanting to be carried out, as well as to gradually replace oil palm cultivation for at least 40 years or two cycles, (whichever is longer), before reaching the natural gravitational drainage limit for peat. If oil palm is gradually replaced, it is replaced by other commodity crops that are better suited for higher groundwater levels (paludiculture) or rehabilitated with natural vegetation.</b>				<i>Critical</i>
	<i>Procedural Note: For 7.7.5: Detailed information on the RSPO Drainability Assessment Guide along with related concepts and detailed actions is contained in the Guidelines currently being adjusted / tested by the RSPO Working Group on Peatlands (Peatland Working Group / PLWG). The final version must obtain PLWG approval in January 2019 and will include additional Guide on the steps to be followed after deciding not to replant and the consequences for other stakeholders, farmers, local communities, and the unit of certification concerned. It is recommended that the trial methodology period is proposed to be extended for 12 months for all relevant management units (ie management units that have plantations on peat) to utilize the methodology and provide input to PLWG so that existing procedures can be further refined as needed before January 2020. The unit of certification has the option to delay replanting until the issuance of the revised Guidelines for the guidelines. Additional guidance for alternative commodity crops and rehabilitation of natural vegetation will be regulated by the PLWG.</i>				
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	N/A. No peat land, no water management plan for peat land				
<b>7.7.6</b>	<b>All existing plantations on peat are managed according to applicable laws and/or "RSPO Guidelines for Best Management Practices (BMP) for Oil Palm Cultivation that are already on Peatlands", version 3 (June 2019) along with related audit guidelines (May 2019).</b>				<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:	
<b>Objective evidence:</b>	N/A. No peat land, no water management plan for peat land				

Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.					
7.8.1	<p><b>A water management plan is available and is implemented to support efficient use of water sources and continuous availability and avoid negative impacts on other users in the catchment. The plan referred to contains the following matters:</b></p> <p><b>a. The unit of certification does not limit access to clean water or does not pollute the water used by the community.</b></p> <p><b>b. Workers have adequate access to clean water</b></p>				Non-Critical
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>The documented procedure defined the method of water management plan include water source and distribution identification, volume of water utilization, parameter/standards of water utilization, identify the impacts include water effluents/wastes and also the method to reduce and control.</p> <p>In Procedure Management of Areas with High Conservation Value No. SOP-CSV-01, 01 October 2020 stated that :</p> <ol style="list-style-type: none"> <li>1. Reducing the occurrence of water pollution by using friendly materials environment in the plantation area.</li> <li>2. Maintaining water sources in inundated areas, ground cover crops such as pits/orak and other maintains within or adjacent to the KBKT in the plantation area.</li> <li>3. Marking area equal to the river by giving a paint mark red on the tree part beyond the limits of the river.</li> <li>4. Counseling to employees and the community around the company routine every semester about the benefits and functions commensurate with the river.</li> <li>5. Carry out laboratory tests of river water every six months to ensure that the quality of river water is well maintained.</li> <li>6. Restore the function of the river border that is in the oil palm plantation block that will be replanted (Replanting).</li> <li>7. Restoration of hydrological function with improve river capacity accommodate the overflow of water during the season rain and function restoration ecologically by doing planting of local plant species and vegetation enrichment.</li> </ol> <p>The company also has the surface water utilization permits:</p> <ol style="list-style-type: none"> <li>1. Water Resources Utilization Permit "Sungai Aek Nabara Padang" based on the Decree of the North Sumatra Province Investment and One Stop Licensing Service Number: 610/1468/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and valid for 5 years.</li> <li>2. Water Resources utilization Permit "Singgotan River" based on the Decree of the North Sumatra Province Investment and One Stop Licensing Service Number: 610/1469/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and is valid for 5 years.</li> <li>3. Water Resources Utilization Permit "Sirandorung River" based on the Decree of the Office of Investment and One Stop Licensing Service of North Sumatra Province with the number: 610/1467/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and valid for 5 years.</li> </ol> <p>The water was utilize for mill operations (include boilers, processes and domestics usage) that through the water treatment plant (using physicals and chemicals method). Flow meters were installed to monitor water usage. The organization has paid retribution to local government. Tax for using ground water has been payed and was sighted, e.g payment 1 December 2021 for 44,089 m<sup>3</sup>.</p> <p>The organisation has program to reduce water consumption, such as: recycle the water ex heater kernel silo at kernel station; recycle condensate water discharge water dilution; minimize duration of cleaning every two weeks. In 2021, recycle the water has been implemented.</p> <p>The company has routinely measured the quality of the surface water (river water, clean water and Land Application monitoring wells water) every semester, last on 6 April 2022, but the company has not included the reference quality standard limits for the results of the water quality of the river water and monitoring wells. Companies are asked to refer to Permenkes no 32 of 2017 for the quality standard limits for monitoring well water quality and PP no 22 of 2021. <b>OFI #2.</b></p>				
7.8.2	<p><b>Water courses and wetlands are protected, including the maintenance and restoration of riparian zones and other buffer zones during or before replanting, in accordance with the "RSPO Manual on BMPs for the management and rehabilitation of riparian reserves" (April 2017) or Simplified Guide Management and Rehabilitation of Riparian Reserves (2018).</b></p>				Critical
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>The documented procedure defined the method of water management plan include water source and distribution identification, volume of water utilization, parameter/standards of water utilization, identify the impacts include water effluents/wastes and also the method to reduce and control.</p>				



	<p>In Procedure Management of Areas with High Conservation Value No. SOP-CSV-01, 01 October 2020 stated that :</p> <ol style="list-style-type: none"> <li>1. Reducing the occurrence of water pollution by using friendly materials environment in the plantation area.</li> <li>2. Maintaining water sources in inundated areas, ground cover crops such as pits/orak and other maintains within or adjacent to the KBKT in the plantation area.</li> <li>3. Marking area equal to the river by giving a paint mark red on the tree part beyond the limits of the river.</li> <li>4. Counseling to employees and the community around the company routine every semester about the benefits and functions commensurate with the river.</li> <li>5. Carry out laboratory tests of river water every six months to ensure that the quality of river water is well maintained.</li> <li>6. Restore the function of the river border that is in the oil palm plantation block that will be replanted (Replanting).</li> <li>7. Restoration of hydrological function with improve river capacity accommodate the overflow of water during the season rain and function restoration ecologically by doing planting of local plant species and vegetation enrichment.</li> </ol> <p>The company also has the surface water utilization permits:</p> <ol style="list-style-type: none"> <li>4. Water Resources Utilization Permit "Sungai Aek Nabara Padang" based on the Decree of the North Sumatra Province Investment and One Stop Licensing Service Number: 610/1468/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and valid for 5 years.</li> <li>5. Water Resources utilization Permit "Singgotan River" based on the Decree of the North Sumatra Province Investment and One Stop Licensing Service Number: 610/1469/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and is valid for 5 years.</li> <li>6. Water Resources Utilization Permit "Sirandorung River" based on the Decree of the Office of Investment and One Stop Licensing Service of North Sumatra Province with the number: 610/1467/DIS PM PPTSP/6/XI.1/2018 on 25 September 2018 and valid for 5 years.</li> </ol> <p>The water was utilize for mill operations (include boilers, processes and domestics usage) that through the water treatment plant (using physicals and chemicals method). Flow meters were installed to monitor water usage. The organization has paid retribution to local government. Tax for using ground water has been payed and was sighted, e.g payment 1 December 2021 for 44,089 m<sup>3</sup>. The organisation has program to reduce water consumption, such as: recycle the water ex heater kernel silo at kernel station; recycle condensate water discharge water dilution; minimize duration of cleaning every two weeks. In 2021, recycle the water has been implemented.</p> <p>In addition, the Company has a program for the prevention and degradation of river border land by planting 2000 forest plant seeds, during 2021 from a target of 2000 seedlings planted 1673 seedlings.</p> <p>The company has routinely measured the quality of the surface water (river water, clean water and Land Application monitoring wells water) every semester, last on 6 April 2022.</p>					
<b>7.8.3</b>	<b>Mill effluent is managed according to applicable regulations. The quality of mill effluent discharged, especially BOD (Biochemical Oxygen Demand) is monitored in accordance with applicable regulations.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Company has a license for discharging effluent to land application areas from local government and has compliance with the requirement of the license. Permit of land application from Kepala Dinas Penanaman Modal dan Pelayanan Perizinan Terpadu Satu Pintu Kab. Paluta # 503/005/1-LA/VI/2020 dated on 29 June 2020 (valid 10 July 2023) covering areas of 200 ha.</p> <p>The company has measured quality of effluent or liquid waste every month according regulation (Ministry of Environment Decree No.28 Year 2003) with some parameters such as pH (6 to 9), BOD (&lt; 5,000 mg/l), COD, Cd, Cu, Pb, Zn, Oil &amp; Fat and volume of effluent or liquid waste. The result of measurement year 2021 period January – June (especially BOD &amp; pH) are compliance with standard or no over standard.</p> <p>The company also has recorded POME discharging to land application as follows:</p> <ul style="list-style-type: none"> <li>• 2019: FFB process= 336,450 MT, POME outlet= 200,864 m3</li> <li>• 2020: FFB process = 320,575 MT, POME outlet= 220,766 m3</li> <li>• 2021: FFB process = 313,585 MT, POME outlet= 215,952 m3</li> <li>• 2022 (until June): FFB process = 170,579 MT, POME outlet= 109,867 m3</li> </ul>					
<b>7.8.4</b>	<b>Mill water use per tonne of FFB is monitored and recorded.</b>					<i>Non-Critical</i>

<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Company has monitoring of mill water use per ton FFB in 2019 refers to doc no. REK-ANJA BNG-MILL-007 as follows:</p> <ul style="list-style-type: none"> <li>• 2020: FFB process= 320,575 MT, water use= 361,020 m3, average= 1,13 m3/ton FFB</li> <li>• 2021: FFB process= 313,585 MT, water use= 325,283 m3, average= 1,04 m3/ton FFB</li> <li>• 2022 (Jan-Jun): FFB process= 170,579 MT, water use= 190,756 m3, average= 1,24 m3/ton FFB</li> </ul> <p>Based on monitoring of mill water usage shows that ratio of water usage per ton FFB between 1,12 – 2.4 m<sup>3</sup>/ton. Water also was processed for domestic usage.</p>					
<b>Criterion 7.9: Efficiency of fossil fuels use and the use of renewable energy is optimized.</b>						
<b>7.9.1</b>	<b>Plans to increase the efficiency of fossil fuel use and to optimize renewable energy are available, monitored and documented.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The company has an energy policy that has been passed on the date 01 April 2014. The company implements Sustainable Energy Management System with the following principles: efficiency of energy consumption in accordance with the provisions of the applicable legislation; monitoring energy use in all departments and business units continuously; optimize the use of sufficient human resources as well as the necessary equipment; communicate and increase awareness through training and socialization to all employees and stakeholders related to energy conservation; optimize the use of energy-efficient appliances; optimize the potential use of renewable energy available; and do repair systems and polices continuously and sustainably. The company has environmental program to reduce fossil fuel for genset.</p> <p>On 2020, Binanga mill has set the target of using fossil fuel as much 221,835 liter/year or 18,486 liter/month, actually based on data on 2020: fossil fuel= 205,953 ltr, shell= 15,828,989 kg, fiber= 41,674,736 kg</p> <p>On 2021, Binanga mill has set the target of using fossil fuel as much 139,610 liter/year or 7,986 liter/month, actually based on data on 2021: fossil fuel= 136,615 ltr, shell= 13,627,189 kg, fiber= 40,674,736 kg</p> <p>Based on data above, fuel consumption stil below the set target.</p>					
<b>Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored, and new developments are designed to minimize GHG emissions.</b>						
<b>7.10.1</b>	<b>GHG emissions for the unit of certification are identified and assessed. Plans to reduce or minimize GHG emissions are implemented, monitored through the PalmGHG calculator, and reported publicly.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>The company identified the source of pollution and emissions based on the identification of environmental impact. Identification of kinds of greenhouse gases (GHG) described in greenhouse gases procedure (SOP SCD-04). As for the main sources of emission are identified, i.e changes in land use change, crop sequestration, sequestration in conservation area, the use of fertilizers and pesticides, POME, the use of electric and diesel vehicle emmissions, a sources of operational (transport) and fuel consumption for oil palm processing.</p> <p>The company has reported its GHG emission's calculation for period 2021. The report referred to Palm GHG version 4.0 consists information, such as:</p> <ul style="list-style-type: none"> <li>• Mill Emissions and Credits:</li> </ul>					

Description	tCO2	tCO2e/t FFB	Action
<b>Emission Sources</b>			
POME	36435.78	0.12	
Fuel Consumption	426.24	0.00	
Grid Electricity Utilisation	0.00	0.00	
<b>Credits</b>			
Export of Excess Electricity to Housing & Grid	0.00	0.00	
Sale of PKS	-14700.77	-0.05	
Sale of EFB	0.00	0.00	
<b>Total</b>	<b>22161.25</b>	<b>0.07</b>	

- Plantation Emissions and Sinks for Own Estate:

Description	Own			Group			3rd Party			Total
	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	tCO2e	tCO2e/ha	tCO2e/t FFB	
<b>Emission Source</b>										
Land Conversion	48718.87	5.42	0.32	0.00	0.00	0.00	0.00	0.00	0.00	48718.87
CO2 Emissions from Fertiliser	5580.11	0.62	0.04	0.00	0.00	0.00	0.00	0.00	0.00	5580.11
N2O Emissions from Peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N2O Emissions from Fertiliser	5741.01	0.64	0.04	0.00	0.00	0.00	0.00	0.00	0.00	5741.01
Fuel Consumption	1820.28	0.20	0.01	0.00	0.00	0.00	0.00	0.00	0.00	1820.28
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sinks</b>										
Crop Sequestration	-31079.26	-3.46	-0.20	0.00	0.00	0.00	0.00	0.00	0.00	-31079.26
Sequestration in Conservation Area	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>30781.01</b>	<b>3.42</b>	<b>0.20</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2948.37</b>	<b>0.00</b>	<b>0.00</b>	<b>33729.38</b>

Plan to reduce and minimize emission has been developed and set in documented environmental management objective, target and program.

In 2020, Binanga mill has set the target of using fossil fuel as much 221,835 liter/year or 18,486 liter/month, actually based on data as follows: 2020: fossil fuel= 205,953 ltr, shell= 15,828,989 kg, fiber= 41,674,736 kg

In 2021, Binanga mill has set the target of using fossil fuel as much 139,610 liter/year or 7,986 liter/month, actually based on data on 2021: fossil fuel= 136,615 ltr, shell= 13,627,189 kg, fiber= 40,674,736 kg

Based on data above, fuel consumption stil below the set target.

Company has not yet planned to reduce GHG through developing biogas plant (methane capture) however Companyhas continued to use shell and fiber as to reduce fuel consumption for turbine generator. In addition, the company also has established plans to reduce or minimise the GHG emission and polution as follows:

- Use of renewable energy in Mill (kernel shell and fiber)
- Manuring application according to manuring recommendation.

	<ul style="list-style-type: none"> <li>• Use organic fertiliser (land application from POME, empty bunch)</li> <li>• Implement Integrated Pest Management (IPM) to control pest and disease</li> <li>• Use registered pesticides</li> <li>• Use pesticide for prevention according to procedure</li> </ul>	
<b>7.10.2</b>	<b>Since 2014, an estimate of carbon stocks in the proposed development area has been carried out along with potential sources of emissions that can occur directly as a result of the development and plans to minimize these emissions are prepared and implemented (following the RSPO GHG Assessment Procedure for New Development).</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	N/A	
<b>7.10.3</b>	<b>Other significant pollutant identification results are available and plans to reduce or minimize them are implemented and monitored.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Result of assessment of all polluting activities at East Estate, Central Estate, West Estate, and Binanga Mill are available, for example: genset, turbine, boiler, POME, and quality of surface water. Identification, measuring, and evaluation available in the RKL RPL report per semester. During audit in 2022, the company has evaluated pollutants and emissions monitored in the RKL RPL report Semester II 2021 and Semester I 2022.</p> <p>The company has a monitoring plan in term of RKL/RPL conducted in daily, monthly, and 6 monthly. For example, monitoring plan for boiler and genset emission quality conducted every twice a year. In the report included, monitoring of erosion, monitoring of river water surface quality, monitoring of air quality and noise, monitoring of waste water <i>Land Application</i> quality, and toxic hazardous waste management.</p>	

<b>Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area.</b>		
<b>7.11.1</b>	<b>Land for new planting or replanting is not prepared by burning.</b>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has procedures related to new plantings and replanting as stated in the SOP for Replanting for Oil Palm Plants No. SOP-AGR-28 dated 1 August 2013, This procedure explains that: Felling is done using an excavator, the trunk must be dismantled or excavated. The stems and hump are chopped (chipping) and then spread evenly on the surface of the soil as mulch to maintain soil moisture and to avoid the attack of the horn beetle (<i>Oryctes</i> sp).</p> <p>Chipping is done by:</p> <ol style="list-style-type: none"> <li>Uproot trees that are still upright and dismantle the weevil down to the roots and then cover the hole with soil.</li> <li>Chopping (chipping) leaf crowns, stems and bulbs with a maximum thickness of 12 cm and a length of 60 cm. The chipping results are spread evenly on the dead net with a minimum distance of 1 meter from the planting point.</li> <li>Trees that have previously died will still be chipped as in points a and b above.</li> </ol> <p>Based on field visits and document review as well as explanations from management, at the time of this surveillance audit there were no replanting activities or new plantings.</p>	
<b>7.11.2</b>	<b>The unit of certification establishes fire prevention and control measures for lands that are directly managed by the unit of certification</b>	<i>Non-Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> X No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has procedures related to new plantings and replanting as stated in the SOP for Replanting for Oil Palm Plants No. SOP-AGR-28 dated 1 August 2013, This procedure explains that: Felling is done using an excavator, the trunk must be dismantled or excavated. The stems and hump are chopped (chipping) and then spread evenly on the surface of the soil as mulch to maintain soil moisture and to avoid the attack of the horn beetle (<i>Oryctes</i> sp).</p> <p>Chipping is done by:</p> <ol style="list-style-type: none"> <li>Uproot trees that are still upright and dismantle the weevil down to the roots and then cover the hole with soil.</li> <li>Chopping (chipping) leaf crowns, stems and bulbs with a maximum thickness of 12 cm and a</li> </ol>	

	<p>length of 60 cm. The chipping results are spread evenly on the dead net with a minimum distance of 1 meter from the planting point.</p> <p>c. Trees that have previously died will still be chipped as in points a and b above.</p> <p>The company already has an emergency response organizational structure for both the plantation and the mill. The emergency response team routinely conducts fire fighting simulations once a year every estate. The last simulation was carried out on 31 May 2021, 2 June 2021 and 4 June 2021 with all stakeholders, with 63 participants.</p> <p>In addition, the company also regularly sends fire prevention and control reports to the Plantation and Forestry Office every year. The last report was made on 12 January 2022.</p>					
<b>7.11.3</b>	<p><b>The unit of certification engages stakeholders in adjacent locations for fire prevention and control measures.</b></p> <p style="text-align: right;"><i>Non-Critical</i></p>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:	
In compliance:	Yes:	X	No:			
<b>Objective evidence:</b>	<p>The company shows that they have collaborated for fire prevention and control with the Simangambat District Farmers Group who are members of the Fire Care Farmers Group (KTPA) which was determined based on the Simangambat District Decree in July 2021. In addition, the company has also carried out fire fighting simulations involving Aek Aru Village on 11 March 2021.</p>					

<p><b>Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Value (HCV) or High Carbon Stock (HCS) forests. HCV and HCS forests in the managed area are identified and protected or enhanced.</b></p> <p><i>Procedural Note for Criteria 7.12:</i></p> <p><i>The RSPO Principles and Criteria 2018 include new requirements to ensure the effective contribution of the RSPO in stopping deforestation. This will be achieved by incorporating the High Carbon Stock Approach (HCSA) Approach Guide into the revised standard.</i></p> <p><i>The RSPO ToC also encourages RSPO to commit to balancing between sustainable livelihoods and reducing poverty with the need to conserve, protect and improve the quality of ecosystems.</i></p> <p><i>High Forest Cover Countries (HFCC) are in dire need of economic opportunities that can help people choose their own path in carrying out development, while at the same time providing social and economic benefits and safeguards.</i></p> <p><i>Procedures will be developed that are adapted to support the development of sustainable palm oil by indigenous peoples and local communities who have legal or customary rights. The procedure will apply in certain HFCC countries and in the High Forest Cover Landscape (HFCL) within it.</i></p> <p><i>The development of this procedure will be guided by the No Deforestation Joint Steering Group (NDJSG) between the RSPO and HCSA members. In HFCC countries, RSPO will work with governments, communities and other stakeholders to develop this procedure through participatory processes at national and regional levels. The duration of this activity is specified in the Terms of Reference for NDJSG and is publicly available.</i></p>						
<b>7.12.1</b>	<p><b>Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCV or HCS forests.</b></p> <p><b>Historical analysis of Land Use Change Analysis (LUCA) is carried out before any new land clearing, in accordance with the RSPO LUCA Guidance document (see indicator 7.12.2).</b></p> <p style="text-align: right;"><i>Critical</i></p>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td>X</td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	X	No:	
In compliance:	Yes:	X	No:			
<b>Objective evidence:</b>	<p>The company has planted oil palm plantation between 1988 and 2005. The oil palm plantation has been established with conversion rubber plantation (5,500 ha) and cocoa (2,500 ha) to oil palm (6,000 ha) on the land bank of 10,000 ha from Minister of Agriculture (c.q Directorat of Jenderal of Plantation) on the letter no.HK.350/E4.162/04.88 dated on 11 April 1988 jo no.HK.350/E4.616/07.91 dated on 23 July 1991.</p> <p>Identification and analysis for HCV of PT. ANJA areas is available and up to year 2011.</p> <p>The company has performed the HCV assessment on 31 May - 4 June 2011 which was prepared by FOCUS CONSULTING GROUP and led by approved HCV assessor Ir. Siswoyo, Msi. Total identified HCV area is 324.58 Ha or 3.27% of total PT ANJ Agri area. East Estate was found to have HCVs 1.3; 4.1; 6, totaling is 118.78 Ha. There was no protected flora. HCVs 1.3; 4.1 were found in Central Estate covering an area of 153.10 Ha.</p>					
<b>7.12.2</b>	<p><b>HCV and HCS forests, and other conservation areas are identified as follows:</b></p> <p style="text-align: right;"><i>Critical</i></p>					

	<p>a. For existing plantations, with an HCV assessments conducted by RSPO-approved assessors and have no new land clearing after 15 November 2018, the existing HCV assessments remains valid</p> <p>b. Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the latest HCSA Toolkit and HCV-HCSA Assessment Manual that is applicable at the time of the assessment. This includes stakeholder consultation and take into account wider landscape- level consideration.</p>	
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Identification and analysis for HCV of PT. ANJA areas is available and up to year 2011.</p> <p>The company has performed the HCV assessment on 31 May - 4 June 2011 which was prepared by FOCUS CONSULTING GROUP and led by approved HCV assessor Ir. Siswoyo, Msi. Total identified HCV area is 324.58 Ha or 3.27% of total PT ANJ Agri area. East Estate was found to have HCVs 1.3; 4.1; 6, totaling is 118.78 Ha. There was no protected flora. HCVs 1.3; 4.1 were found in Central Estate covering an area of 153.10 Ha.</p> <p>To ensure the implementation of HCV the company has established a SOP to manage and monitor HCV as stated in procedure SOP-SCD-02 Rev 1 on 1 Jan 2015, <i>SOP Pengelolaan Nilai Konsevasi Tinggi/NKT</i> (Management of HCV) and recorded in the Management and Monitoring Plan of HCV Report.</p>	
<b>7.12.3</b>	<p><b>In High Forest Cover Landscapes (HFCLs) within HFCCs, a specific procedure will apply for legacy cases and development by indigenous peoples and local communities with legal or customary rights, taking into consideration regional and national multi-stakeholder processes. Until this procedure is developed and endorsed, 7.12.2 applies.</b></p> <p><b>Procedural Note:</b> <b>Indicator 7.12.3. is not relevant to Indonesia, until further decisions by the RSPO.</b></p>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	NA	
<b>7.12.4</b>	<p><b>Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An Integrated management plans to protect and/or enhance HCV and HCS forests, peatland and other conservation areas are developed, implemented and adapted if necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan was developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</b></p>	<i>Critical</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The company has established management and monitoring plan included appropriate measures that are expected to maintain and/or enhance them, includes:</p> <ul style="list-style-type: none"> <li>- Maintenance of HCV marking, manual upkeep</li> <li>- Placement of warning sign/sign board</li> <li>- Biodiversity Inventory</li> <li>- Boundary and its maintenance</li> <li>- Rehabilitation and enrichment planting such as jambu-jambu, pulai and beringin.</li> <li>- Prevention of invasive species</li> <li>- Socialization to communities</li> <li>- Training for staff</li> <li>- SOP establishment</li> <li>- Organizing</li> <li>- Coordination with relevance instance (BKSDA of Rokan Hilir District)</li> <li>- Monitoring of riparian area</li> <li>- Monitoring the presence of wildlife (protected animal)</li> <li>- Monitoring of illegal hunting and HCV patrol</li> </ul> <p>The Management Plan has been developed in consultation with relevant stakeholders.</p> <p>The last review of the HCV management plan was carried out by the company in October 2020 by</p>	

	involving the affected surrounding communities (Langkimat Village, Simangabat Julu Village, Mandasip Village, Huta Pasir Village, Tobing Jae Village, Tor Sihoda-hoda Village and Ramba Village). The results of the review are stated in a Review report on the identification of the presence and management plan of High Conservation Value (HCV) in the Oil Palm Plantation of PT. Austindo Nusantara Jaya Agri.					
<b>7.12.5</b>	<b>Where rights of local communities have been identified in HCV areas and HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	N/A. No community rights were identified in the HCV area.					
<b>7.12.6</b>	<b>All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	<p>Programs to socialize the status of protected RTE species to all workers is carry out through put the picture of RTE species in every public areas, HCV areas, security posts. The picture is always included the prohibitions of the workers to capture, harm, collect or kill these RTE species.</p> <p>The company is also has SOP for protection Flora and Fauna included on procedure SOP-SCD-02 Rev 1 on 1 Jan 2015, SOP Pengelolaan Nilai Konsevasi Tinggi/NKT (Management of HCV) as measures in protecting species and their habitat.</p> <p>The company has conducted training for HCV and environmental management dated on 18 July 2019 attended by 27 participants (local people from Desa Simangambat Julu). Besides that, sosialisasi of HCV and Peduli Keanekaragaman Hayati (Pendaki) has been conducted dated on 29 July 2019 attended by 34 participants at GMO meeting room (internal).</p> <p>During site examination to East Estate, Central Estate dan West Estate, no evidence that workers indisciplinatory to the SOP, for instance, none any RTE species has been collected at the workers housing. Interview to the workers and his/her family in their housing were also noted that they aware about the prohibition to capture, harm, collect or kill these RTE species.</p> <p>During visit to HCV areas in Sirandorung river, observed the board for prohibiting hunting for protected animals still refers to Permenlhk# P.106/Menlhk/Kum.1/12/2018 <i>tentang perubahan kedua atas Permelhk # P.20/Menlhk/Kum.1/6/2018 tentang jenis tumbuhan dan satwa dilindungi.</i></p>					
<b>7.12.7</b>	<b>The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.</b>					<i>Non-Critical</i>
<b>Findings</b>	In compliance:	Yes:	X	No:		
<b>Objective evidence:</b>	Field observation to HCV areas and document review of " <i>Laporan Pengelolaan Kawasan Bernilai Konservasi Tinggi</i> " of PT ANJ Binanga Estate period semester 2 <sup>nd</sup> 2021 were available and demonstrated that the measures contained in the management plan been actively implemented and monitored. Report prepared by Sustainability officer. These reports have been submitted to relevant authority (BKSDA Sumatera Utara) on 31 January 2022.					
<b>7.12.8</b>	<b>Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedures (RaCP) applies.</b>					<i>Critical</i>
<b>Findings</b>	In compliance:	Yes:		No:		
<b>Objective evidence:</b>	The company has planted oil palm plantation between 1988 and 2005. The oil palm plantation has been established with conversion ruber plantation (5,500 ha) and cocoa (2,500 ha) to oil palm (6,000 ha) on the land bank of 10,000 ha from Minister of Agriculture (c.q Direktorat of Jenderal of Plantation) on the letter no.HK.350/E4.162/04.88 dated on 11 April 1988 jo no.HK.350/E4.616/07.91 dated on 23 July 1991.					

### **3.2 Noteworthy Positive Components**

PT. Austindo Nusantara Jaya Agri – Binanga Mill has implemented several certification standards such ISO 14001, ISO 45001 and ISPO to support RSPO P&C implementation.



#### 4. ACKNOWLEDGEMENT OF ORGANIZATION INTERNAL RESPONSIBILITY

##### 4.1 Conclusion

The audit team concludes that the organization  has  has not established and maintained its management system in line with the RSPO P&C and Supply Chain requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

##### 4.2 Date of Next Surveillance Visit



The next surveillance audit is planned between 14-09-2022 and 18-09-2023

##### 4.3 Date of Closing Non-Conformities

Reference Number and Indicator	Category (Critical/Major or Non-Critical/ Minor)	Issued date	Close out date
6.7.2	Non Critical	17 September 2020	21 August 2021
6.7.3	Critical	17 September 2020	09 October 2020

##### 4.4 Acknowledgement of Internal Responsibility and Formal Sign-off Assessment Findings

PT SGS Indonesia and PT. Austindo Nusantara Jaya Agri – Binanga Mill acknowledge and confirms acceptance of the Report contents and including the assessment findings. PT. Austindo Nusantara Jaya Agri – Binanga Mill accept the responsibility for addressing the opportunities of improvement detailed in this report.

Signed on behalf of PT. Austindo Nusantara Jaya Agri – Binanga Mill	Signed on behalf of PT SGS Indonesia
 22 September 2022	 Yudi utomo Lead Auditor/21 September 2022

**APPENDIX A: CORRECTIVE ACTION REQUEST & OBSERVATION**

**Guidance note:**

The non-conformance is always the negative of the specific clause, as it relates to the specific non-conformance identified during the audit. Words that can appropriately reflect the negative of the clause are (by way of example): “does not” or “does not always”.

The objective evidence is the actual evidence that was observed during the audit, relating to documentation, field evidence and/or interviews.

All non-conformances that considered as Critical/ Major CAR is given number as **M01, M02, etc** and Non-Critical/Minor CAR is given number as **m01, m02, etc** in the particular CAR# column, include the relevant RSPO P&C Indicator references under the Indicator column.

All Major non-conformances shall be addressed to the satisfaction of the PT SGS Indonesia before certification decision is granted.

For **Initial certifications** (or Main Assessment) and **Re-Certifications**, Major non-conformance(s) shall be closed successfully within twelve months from the closing meeting date, otherwise a full re-assessment is required.

For **Surveillance audits**, Major non-conformance(s) shall be closed successfully within 90 days from the closing meeting date, or the certificate will be suspended, and subsequently withdrawn if the major non-conformance(s) are not addressed within an agreed timeframe as set between PT SGS Indonesia and Client, not longer than six months from the last day of the audit.

Minor non-conformance(s) that raised either during Initial Certifications, Surveillances, or Re-Certifications shall be closed successfully at the subsequent Surveillance audits. Otherwise it will be upgraded into Major non-conformance if they are not addressed satisfactorily by the time of the following Surveillance audit. However, Client/Organizartion shall provide Action Plans to address the Minor non-conformances through Root Cause Analysis, Corrective Action plan, and Preventive Action plan. These must be completed using the CAR Form (GP9404) and shall be provided at the table below.

The Lead Auditor shall assess the effectiveness of the Root Cause Analysis, Corrective and Preventive actions before closing out of the non-conformances or acceptance of Action Plans. Where CARs cannot be closed out, reasons for this must be given and the due date may be adjusted.

Note to write the Date:

- All Dates (i.e. *Date recorded*, *Due Date*, and *Date Closed*) must be presented in the format of “*Date Month Year*”, example: 01 Jan 18 (means 1<sup>st</sup> January 2018)
- The *Date recorded* is the date when the lead auditor conducting Closing Meeting with client/Organization.
- The *Due Date* is the last day of time frame given to close out the CAR. The Due date must be minus 1 (one) day from the Date recorded. Example, Date Recorded: 01 Jan 18, therefore the Due Date (*for Main assessment*): 31 Dec 18, or Due date (*for Surveillance*): 31 Mar 18
- The *Date Closed* is the actual date for lead auditor conducting review and acceptance of evidences of CAR close-out.

**CORRECTIVE ACTION REQUEST (CAR)**

CAR #	Indicator	CAR Detail					
		Date Recorded>	-	Due Date>	-	Date Closed>	-
None	-	<b>Normative reference and requirements:</b>					
		-					
		<b>Statement of Non-Conformance:</b>					
		-					
		<b>Objective Evidence:</b>					
		-					
		<b>Root cause analysis to be completed by Organization:</b>					
		-					
		<b>Corrective Action to be completed by Organization:</b>					
		-					
<b>Preventative Action to be completed by Organization:</b>							
-							
<b>Close-out evidence/Planned Actions to be completed by Lead Auditor:</b>							
-							

**OBSERVATION**

**Guidance note**

**The observations raised for the full certification period must be maintained in each report.**

Include the relevant Observation (OBS#) number and clause reference under the specific column

Follow up evidence only to be completed once the observation has been verified on the subsequent assessment visits. Lead auditor may consider to upgrade the Observation onto non-conformance if there is a potential breakdown of the system when the Observation did not follow up since previous assessment.

OBS #	Indicator	Observation/Opportunity for Improvement	
01	3.6.2	Date Recorded>	16 July 2022
		<b>Observation Statement:</b>	
		The company has placed a number of fire extinguishers (APAR) at worker’s housing complex, all fire extinguishers were found in good condition and regularly monitored by the company to ensure all of APAR in good condition. The company also could conducted the monitoring to know whether the number of APAR in worker’s housing complex has been sufficient and effective or not in handling if there case of fire occurs according to the company OHS Plan.	
02	6.2.2	Date Recorded>	16 July 2022
		<b>Observation Statement:</b>	
		Based on interviews with the harvesters and the labor union, information was obtained that there were harvesters who include their wives as helpers to collect loose fruit during high of FFB Productivities period or other certain period condition, the company shall to ensure that all workers who works for company operational shall completed with contractual agreements as refer to the applicable regulations, this is also includes but is not limited to the workers who works to help the FFB harvester as Loose Fruit Pickers activities.	

## APPENDIX B: NON-CONFORMANCES PREVIOUSLY IDENTIFIED

CAR #	Indicator	CAR Detail					
		Date Recorded>	17 Sep 20	Due Date>	16 Sep 21	Date Closed>	27 Aug 2021
m01	6.7.2 (Non-Critical)	<b>Normative reference and requirements:</b>					
		Accident and emergency procedures in Indonesian language are in place and clearly understood by all workers. Assigned operatives trained in first aid are present in both field and other operations. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.					
		<b>Statement of Non-Conformance:</b>					
		The rescue mechanism for fire handling in the employee's emplacement is not clearly understood by babysitter of daycare.					
		<b>Objective Evidence:</b>					
		The company already has SOP for Fire Emergency Response (SOP-EHS-015) and emergency response team (RTD). However, during visit to employee's emplacement and interview with babysitter in the daycare at East Estate Afd 2 and West Estate Afd 10 emplacements, revealed that they did not understand about rescue mechanism if any fire in their home. Based on information from OSH Coordinator, the awareness of fire rescue for householders and babysitter has been conducted but the training record is not available. Besides that, the procedure of emergency response only covers to mill and office, but not yet cover to emergency response in the employees' emplacement.					
		<b>Root cause analysis to be completed by Organization:</b>					
		There is no socialization of fire handling and fire emergency response procedures in the emplacement, especially for babysitters and housewives who are in the housing during working hours.					
		<b>Corrective Action to be completed by Organization:</b>					
		Conduct socialization and fire management training in the emplacement to Division employees involving the RTD team, babysitters, and mothers who are in the emplacement area. Fire handling was socialized on 18 and 28 September 2020 at Afdeling 2 East Estate Housing and Afdeling 10 West Estate and documented in the training report. Total participant that was trained amount 28 participants.					
		<b>Preventative Action to be completed by Organization:</b>					
		Create a routine annual fire and emergency management training program for employees that involves babysitters and mothers in emplacement area. The target of participant during 2020 are 110 participants. Fire and emergency training plan was documented in the Training Need Analysis EHS 2020.					
<b>Close-out evidence/Planned Actions to be completed by Lead Auditor:</b>							
During surveillance audit 2021 (remote audit), The company has made the corrective action and preventive action according to the root cause of non conformity. The CAPA has been implemented such as:							
<ul style="list-style-type: none"> <li>- Sample document training/simulation on 28 Sep 2020, regarding fire and emergency management training program for employees that involves babysitters and mothers in emplacement area, follow 15 participant at afd 2.</li> <li>- Sample document training/simulation on 18 Sep 2020, regarding fire and emergency management training program for employees that involves babysitters and mothers in emplacement area, follow 18 participant at afd 2.</li> <li>- Training Need analysis EHS and Realisation on 2020 and 2021</li> </ul>							
Based on all of evidence, the non conformity was closed.							
M02	6.7.3 (Critical)	Date Recorded>	17 Sep 20	Due Date>	16 Dec 20	Date Closed>	09 Oct 20
		<b>Normative reference and requirements:</b>					

		<p>Workers use appropriate personal protective equipment (PPE) which is provided free of charge to all workers in the workplace, to cover all potentially hazardous operations, such as pesticides application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p>
		<p><b>Statement of Non-Conformance:</b></p>
		<p>Not all appropriate PPEs are available when workers are working in the field.</p>
		<p><b>Objective Evidence:</b></p>
		<p>During field visit to pesticide application in the East Estate Afd III, observed the workers did not use appropriate PPEs such as safety gloves, safety glasses, standard mask, and apron/long sleeved uniform according to MSDS for Marshal (active ingredient: carbosulfan). It was the same case when visiting to <i>ablasi</i> activity in the East Estate Afd III, the workers did not use appropriate PPEs such as safety helm, and faceshield according to requirement of HIRARC/IBPPR document.</p> <p>Besides that, based on interview with the pesticide operators revealed that they also did not use company's sanitation facility to wash and put on their PPEs. They took a bath and washed in their home (reference of Permenaker# 03/MEN/1986 regarding requirement of safety and health in the workplace that handle of pesticide).</p>
		<p><b>Root cause analysis to be completed by Organization:</b></p>
		<p>Carbosulfan application and ablation activities are new jobs in the immature area. The new work has carried out OSH risk identification but it has not been recorded in the OSH hazard identification document and PPE matrix document. Furthermore, the company has not provided PPE and provided information on the dangers and risks of the OSH risk identification results to employees. The socialization regarding sanitation facility also not yet conducted by company.</p>
		<p><b>Corrective Action to be completed by Organization:</b></p>
		<ul style="list-style-type: none"> <li>• Listed the results of OSH risk identification for carbosulfan application work and ablation activities into the HIRA document and the PPE Matrix. HIRA document has been updated dated on 22/09/2020 No. SOP-EHS-019 and PPE Matrix has been updated on 22/09/2020 No. FRM-SOP-EHS.38-068.</li> <li>• Providing PPE facilities for employees who perform ablation work and carbosulfan application dated on 17/09/2020 and documented in the <i>Serah Terima APD</i> document.</li> <li>• Conduct OSH hazard and risk training for ablation work and carbosulfan applications dated on 16/09/2020 and documented in the Training report document.</li> <li>• Conducting socialization to use sanitation facilities for employees of carbosulfan applications dated on 16/09/2020 and documented in the Training report document.</li> </ul>
		<p><b>Preventative Action to be completed by Organization:</b></p>
		<ul style="list-style-type: none"> <li>• Creating a socialization and training program for the use of PPE documented in the EHS 2020 Training Needs Analysis</li> <li>• Conducting routine monitoring of PPE condition and documented in the <i>Kelengkapan APD Karyawan</i> document.</li> <li>• Creating internal memos No. 079/GM/ANJA-BNG/IM/IX/2020 dated on 28/09/2020 from General Manager related to the use of sanitation facilities. In the internal memo, explained regarding the monitoring of the use of the facility which informs when it is used and who are the workers who use the facility.</li> </ul>
		<p><b>Close-out evidence/Planned Actions to be completed by Lead Auditor:</b></p>
		<p>The company has made the corrective action and preventive action according to the root cause of non conformity. The CAPA has been implemented such as, provide of PPE for workers and monitoring of the PPE and sanitation facility. Based on all of evidence, the non conformity was closed.</p>

**APPENDIX C: TIMEBOUND PLAN**

<b>Management Units</b>	<b>Number of Mills and Estates</b>	<b>Location</b>	<b>Target Date</b>
PT Kayung Agro Lestari	1 mill, 4 estates, 1 KKPA	West Kalimantan, Indonesia	Certified 2020
PT Galempa Sejahtera Bersama	Plantation Development	South Sumatera, Indonesia	2022
PT Putera Manunggal Perkasa	Plantation Development	West Papua, Indonesia	2022
PT Permata Putera Mandiri	Plantation Development	West Papua, Indonesia	2022
PT Austindo Nusantara Jaya Tbk (Previously known as PT. Pusaka Agro Makmur)	Plantation Development	West Papua, Indonesia	2024
PT Sahabat Mewah dan Makmur	1 mill, 5 estates	Bangka Belitung, Indonesia	Certified 2011
PT Austindo Nusantara Jaya Agri - Binanga	1 mill, 3 estates	North Sumatera, Indonesia	Certified 2012
PT Austindo Nusantara Jaya Agri Siais	1 mill, 2 estates	North Sumatera, Indonesia	Certified 2014

## APPENDIX D: STAKEHOLDERS CONTACTED AND ISSUES FOUND DURING AUDIT

Stakeholder details	Number of people consulted / interviewed
<b>Statutory bodies/ Government/ Institution</b>	
• Dinas Perkebunan dan Kehutanan Kabupaten Padang Lawas Utara	1
• Dinas Tenaga Kerja Kabupaten Padang Lawas Utara	1
• Dinas Lingkungan Hidup Kabupaten Padang Lawas Utara	1
<b>Local Communities/ Indigenous people</b>	
• Tobing Jae Village Representatives	2
• Mandasip Village Representatives	
<b>The previous land users within client site location</b>	
• Could not met the previous land users since the compensation was done on 1990's	0
<b>Workers (including migrant workers) and Worker Organization</b>	
• Men Workers	13
• Women Workers	8
• Chemical Spraying operators	4
• Fertilizer operator	4
• Harvesters	5
• Mill machinery operator	2
• Mill workshop	1
• Labour Union	1
• Gender Committee	1
• Driver	1
• Supervisor / Mandora (Harvest, Spray and Fertilizer)	1
• Chemical warehouse operator	1
<b>Smallholders (if applicable)</b>	
None	
<b>Local and National NGOs</b>	
None	
<b>Others (website browsing)</b>	
-	

Issue raised by Stakeholders	Company Response	Auditor Comment & Findings
<p>Local Government (Dinas Lingkungan Hidup Kab. PALUTA):</p> <p>Consultation was focused on compliance with regulations (environmental permit, periodic report, land application, etc). Based interview from Local Government, there was so many positive issues of the company such as the compliance to all regulation in environmental regulations. No specific issues suggested by this government agency.</p>	<p>Since no specific issued raised by Dinas Lingkungan Hidup, thus, no response from the company.</p>	<p>No comment from auditor since no specific issued raised.</p>
<p>Government of Plantation ( Dinas Perkebunan) of Paluta Regency. :</p> <p>The company already has all operational valid permit which relevant with palm oil plantation and mill operational, based on regularly inspection by government body of plantation it was known that company has demonstrated their operational properly and accordingly with applicable regulations.</p>	<p>The company has maintain all operational permit from relevant institution and update it regularly, the operational permit include IUP, AMDAL, IMB etc, company has monitoring regularly to ensure all operational implementation has been in accordance wit the operational permit.</p>	<p>Based on interviews and document review during the assesment it was confirmed that the operational impelentation has been accordingly with operational permit.</p>
<p><i>Dinas Tenaga Kerja</i> (Labour Agency) of Paluta Regency :</p> <p>The company has LKS Bipartite which used for meeting between company and workers and there is no significant issues related manpower.</p>	<p>Labour Union has conducted internal meeting among the members in order to complete the new draft to be proposed to the Management in Pengurus Unit Kerja.</p>	<p>Based on interview with Labour Union revealed that the company has demonstrated responsibility to fulfil all workers rights accordingly with applicable national regulations.</p>
<p>Local Communities (Tobing Jae and Mandasip Village.):</p> <p>Company already demonstrate their responsibility to the villages through various of program such, Socialization of best practice agriculture to increase the output of smallholders, provide assistance to smallholders and others benefits which gave by company.</p>	<p>The Company already establish the team for provide assistance to smallholders, the team has responsibility to guide the smallholders farmers for always implement Good Agriculture Practices as well responsible for environment and human rights.</p>	<p>Company already demonstrate their responsibility to the smallholders.</p>
<p>Workers and Workers Organization :</p> <p>Company already demonstrate their responsibility to all workers and communication as well.</p>	<p>The Company already has company regulations which regulates the rights and obligations of workers, including rights of salary, adequates house, leave days, and others.</p>	<p>Based on interviews with Workers and Workers Organization were known that Company Regulations has shown sufficient evidence that company already demonstrate their responsibility to the workers.</p>