

***Roundtable on Sustainable Palm Oil Certification  
RSPO***

**[ ✓ ] Surveillance + Extension Scope**

Name of Management Organisation : Jangkang Palm Oil Mill – PT Sahabat Mewah & Makmur, subsidiary of Austindo Nusantara Jaya Agri

Plantation Name : Jangkang Estate, Balok Estate, Joseph Jaya Estate, Sari Bunga Estate, Air Ruak Estate, Mitra Lestari Cooperative, Mitra Anugrah Cooperative, Sambar Jaya Makmur Cooperative, Berhimpun Sejahtera Cooperative, Lindong Raya Cooperative, Tiong Sejahtera Cooperative, Gunung Nyerudong Sejahtera Cooperative, and BUMDES Balok Tebing Tinggi

Location : Village of Jangkang, Sub District of Dendang, District of Belitung Timur, Province of Bangka Belitung, Indonesia

Certificate Code : **MUTU-RSPO/090**

Date of Initial Registration : 06 January 2011

Date of Certificate Issue : 10 February 2021                      Date of License Issue : 28 March 2023

Date of Certificate Expiry : 05 January 2026                      Date of License Expiry : 05 January 2024

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2.2	24 to 28 October 2022	Moh. Arif Yusni, Yudhi Yuniarto T, Radytio Puspanjana; Alfiany Sukmawati	Ardiansyah	Leonada
Extension Scope	20 to 23 February 2023	Haikal Ramadhan Kharismansyah (Lead Auditor), Arief Tajalli, Sentot Adi Subandono and Johannes Kapri Pandiangan	Naila Karima	Leonada

Assessment	Approved by MUTUAGUNG LESTARI on:
Extension Scope	21 March 2023

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on March 12<sup>th</sup>, 2014 with registration number *ASI-ACC-055*

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Figure 1. Location Map of PT Sahabat Mewah & Makmur

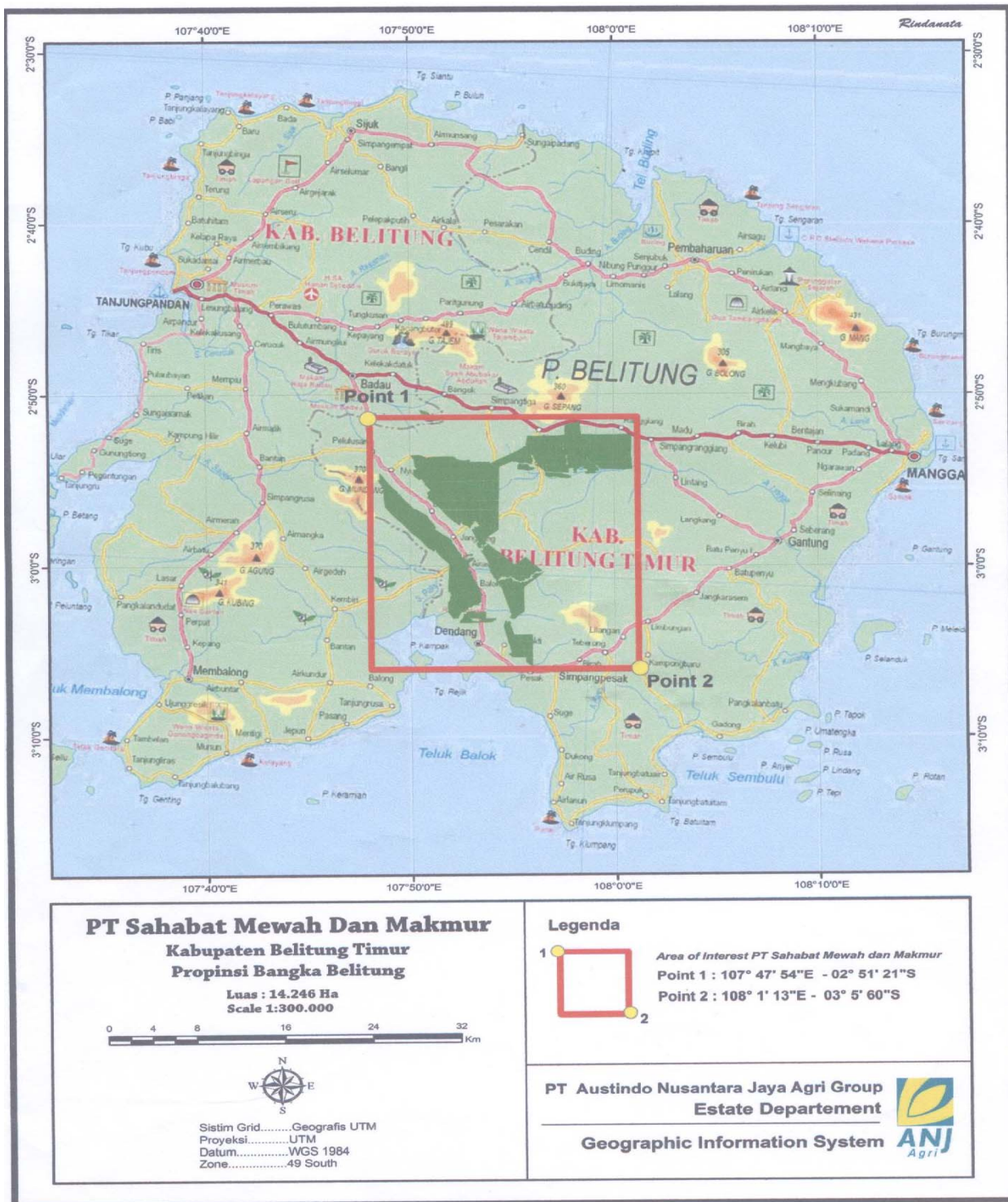


Figure 2. Operational Map of PT Sahabat Mewah dan Makmur

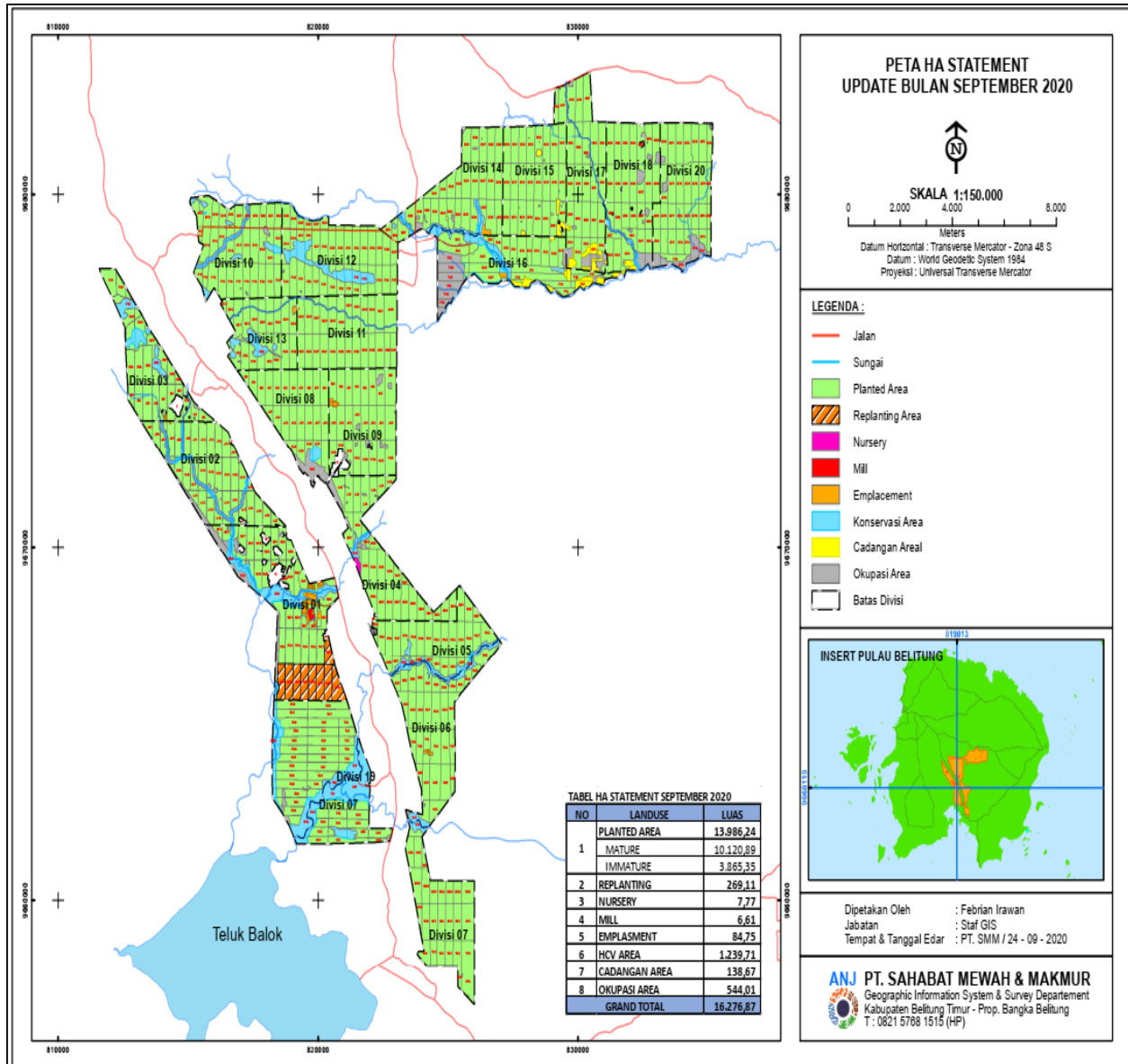


Figure 3. Operational Map of Berhimpun Sejahtera Cooperative

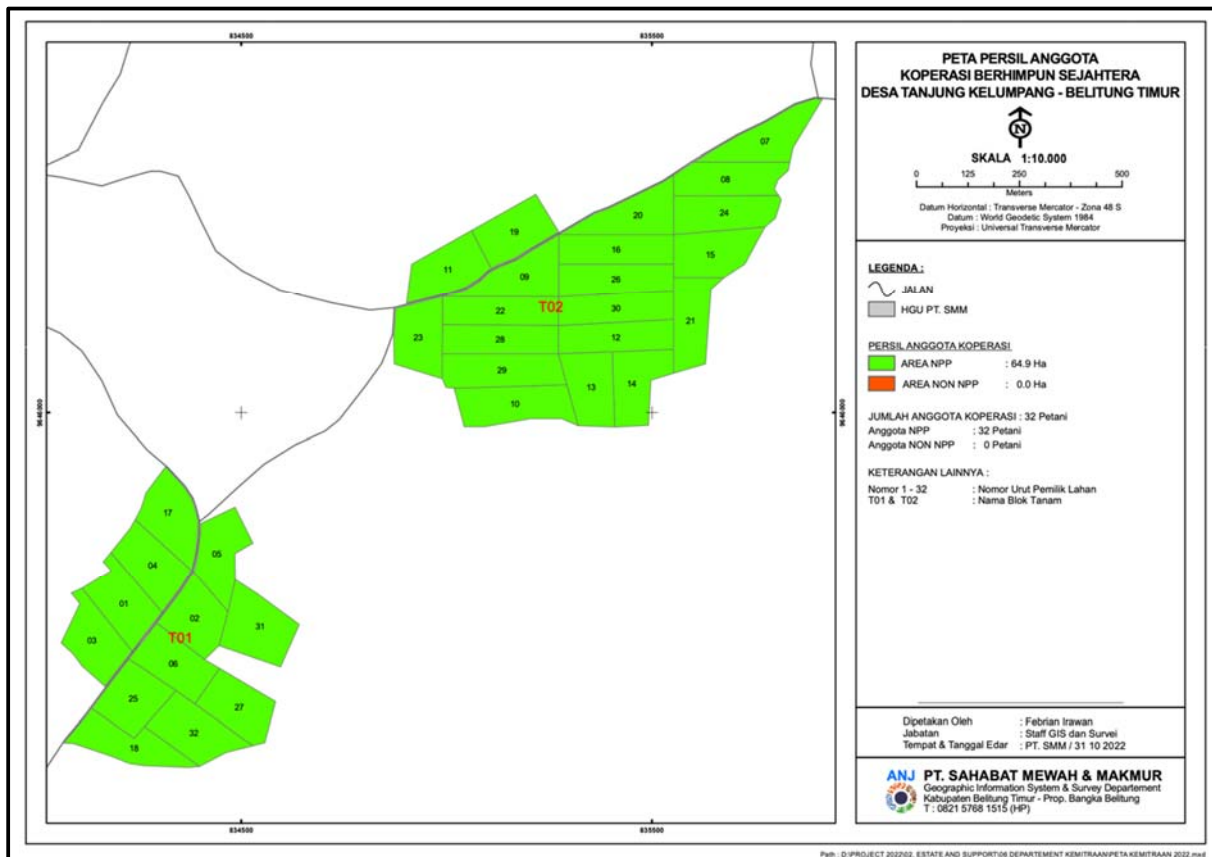


Figure 4. Operational Map of, Sambar Jaya Makmur Cooperative,

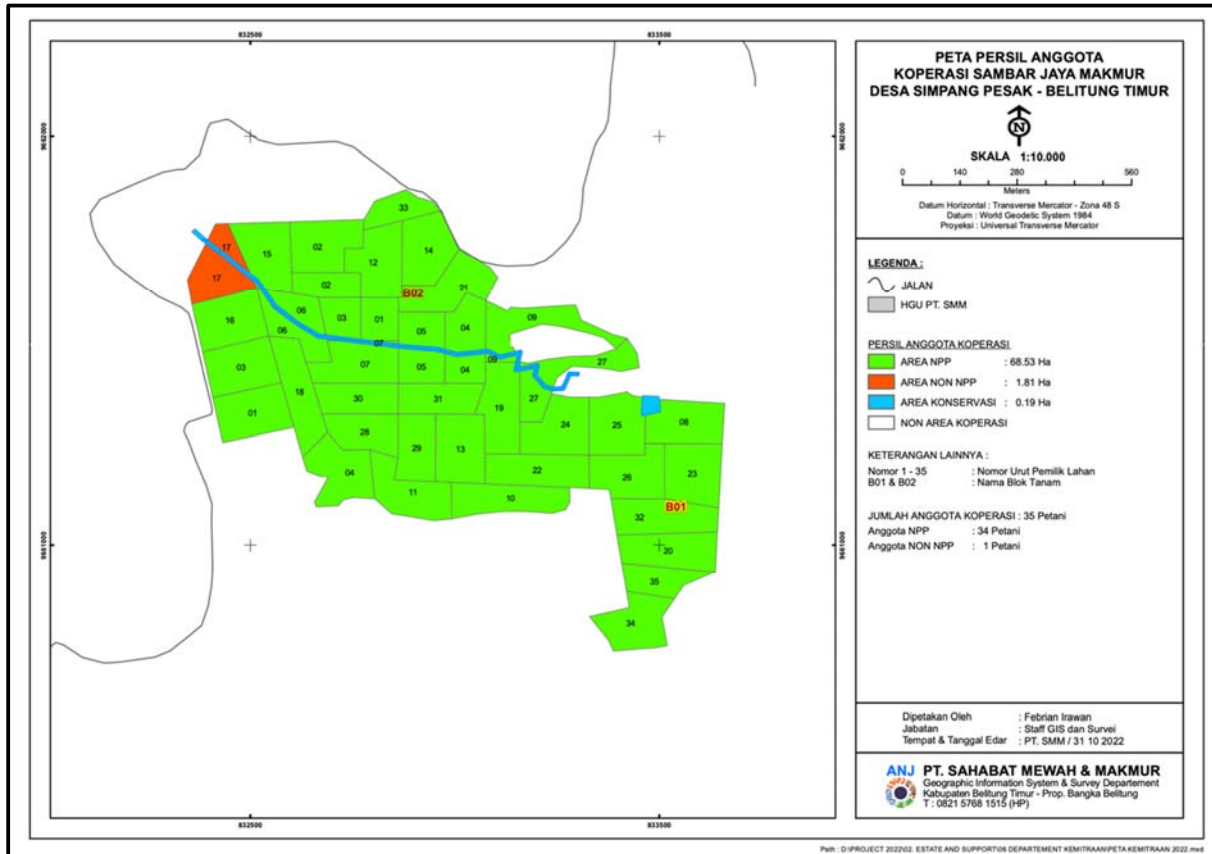


Figure 5. Operational Map of Lindong Raya Cooperative

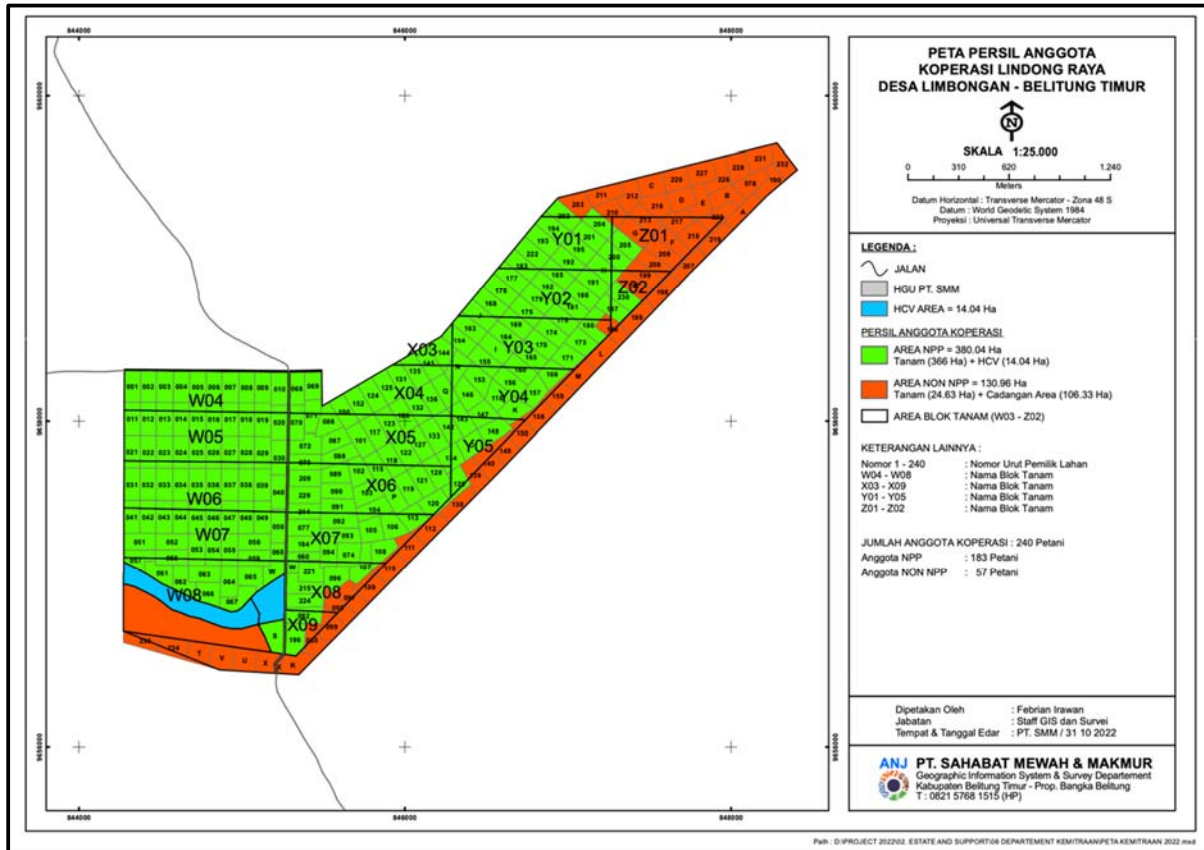


Figure 6. Operational Map of, Mitra Anugerah Cooperative

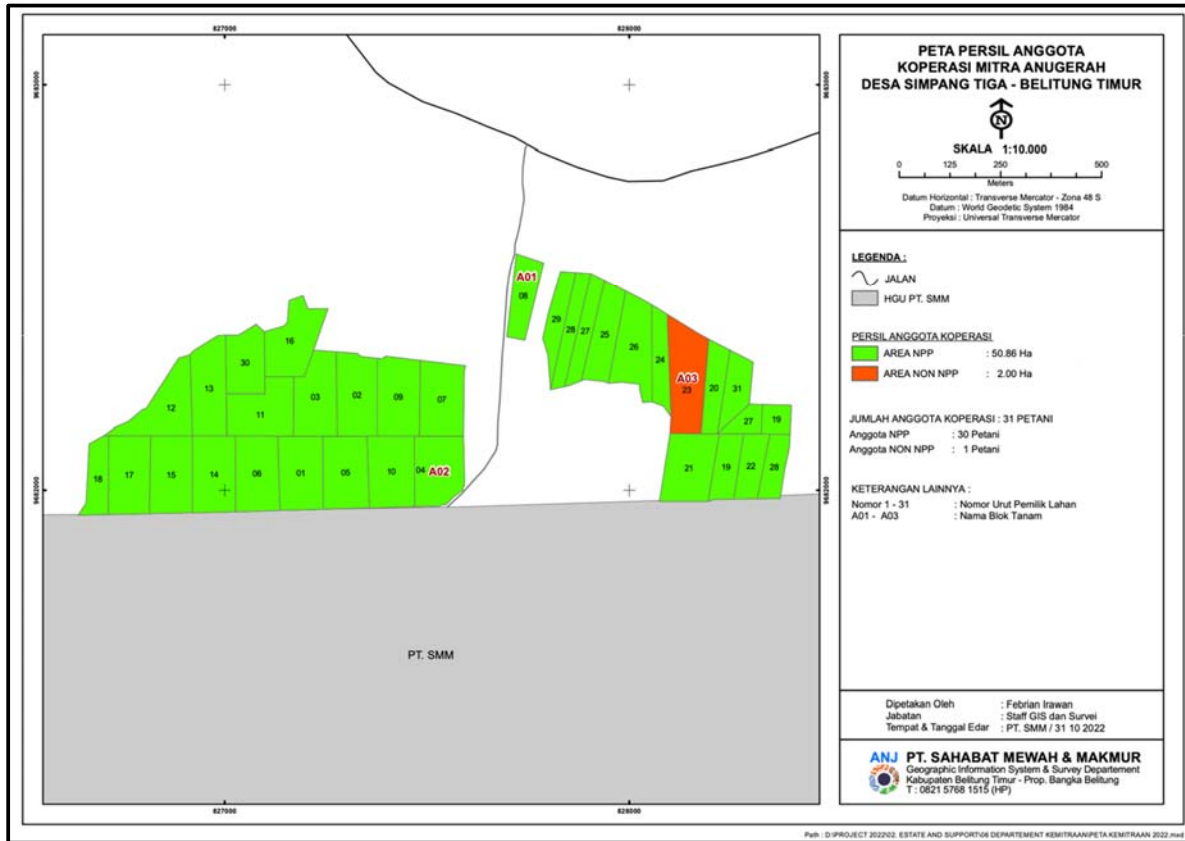




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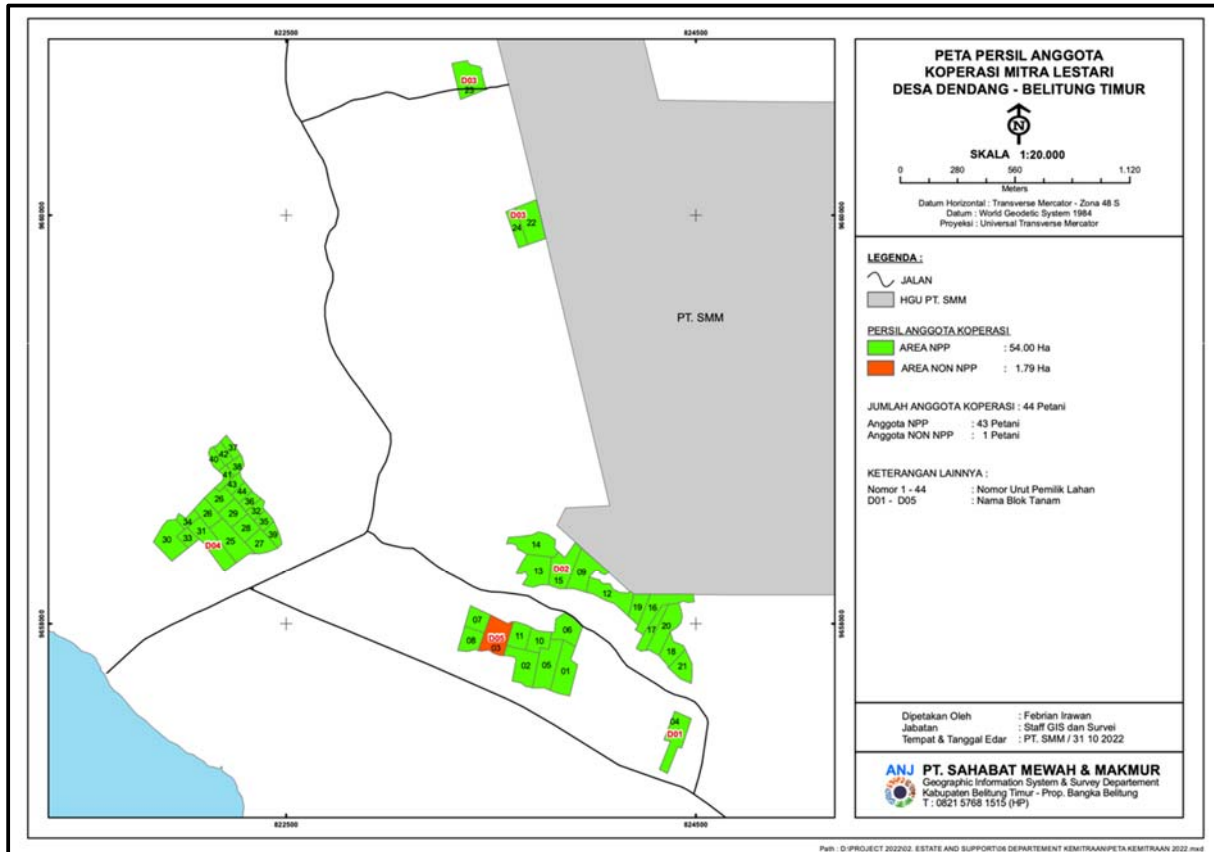
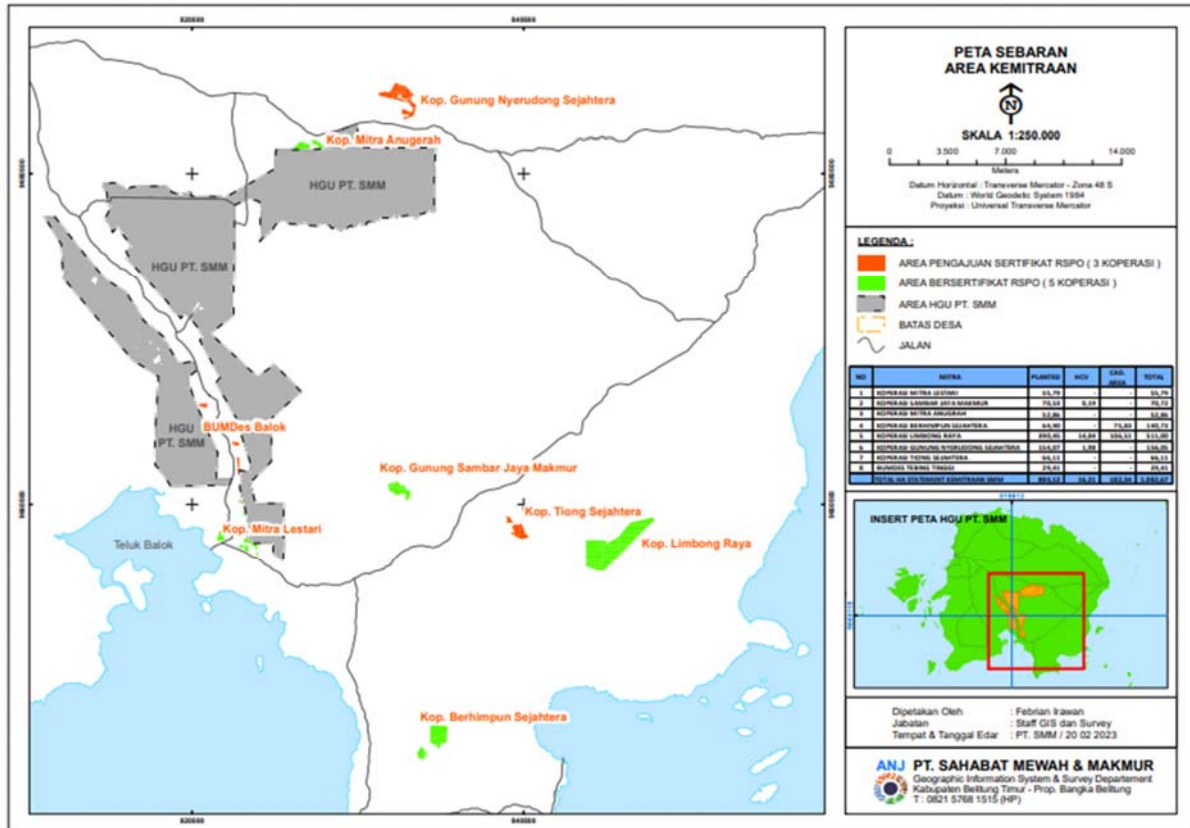


Figure 8. Operational Map of Tiong Sejahtera Cooperative, Gunung Nyerudong Sejahtera Cooperative and BUMDES Balok Tebing Tinggi



Abbreviations Used

ALS	:	Assessor Licensing Scheme
ANJ	:	Austindo Nusantara Jaya
AMDAL	:	<i>Analisis mengenai dampak lingkungan</i> (Environmental impact analysis)
ASA	:	Annual Surveillance Assessment
BPJS	:	<i>Badan Penyelenggara Jaminan Sosial</i> / Social Security Administrator
Bumdes	:	<i>Badan Usaha Milik Desa</i> (Village Owned Enterprises)
B3	:	<i>Bahan Berbahaya dan Beracun</i> (Hazardous Waste)
CB	:	Certification Body
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Community Social Responsibility
EIA	:	Environment Impact Assessment
EFB	:	Empty Fruit Bunch
FFB	:	Fresh Fruit Bunch
FPIC	:	Free, Prior, Informed, Consent
GPS	:	Global Positioning System
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Title)
IP	:	Identity Preserved
IPM	:	Integrated Pest Management
KBS	:	<i>Koperasi Berhimpun Sejahtera</i> / Berhimpun Sejahtera Cooperative
KGNS	:	<i>Koperasi Gunung Nyerudong Sejahtera</i>
KMA	:	<i>Koperasi Mitra Anugrah</i> / Mitra Anugrah Cooperative
KML	:	<i>Koperasi Mitra Lestari</i> / Mitra Lestari Cooperative
KLR	:	<i>Koperasi Lindong Raya</i> / Lindong Raya Cooperative
KSJM	:	<i>Koperasi Sambar Jaya Makmur</i> / Sambar Jaya Makmur Cooperative
KTS	:	<i>Koperasi Tiong Sejahtera</i>
KUD	:	<i>Koperasi Unit Desa</i> (Village Unit Cooperative)
MB	:	Mass Balance
NGO	:	Non-Government Organizations
LSU	:	Leaf Sampling Unit
OHS	:	Occupational Health and Safety
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
PIC	:	Person In Charge
PK	:	Palm Kernel
P&C	:	Principles and Criteria
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
PT SMM	:	PT Sahabat Mewah dan Makmur
P2K3	:	<i>Panitia Pembina Kesehatan dan Keselamatan Kerja</i> (Committee of Health and Safety)
RKL/RPL	:	<i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	:	Roundtable on Sustainable Palm Oil
SAP	:	Systems Applications and Products
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment

SMM	:	Sahabat Mewah dan Makmur
SOP	:	Standard Operational Procedure
SPPL	:	<i>Surat Pernyataan Pengelolaan Lingkungan</i> (Environmental Management Statement Letter)
STDB	:	<i>Surat Tanda Daftar Budidaya</i> (Cultivation Register Letter)
TM	:	<i>Tanaman Menghasilkan</i> (Mature Plant)
UKL UPL	:	<i>Upaya Pengelolaan dan Pemantauan Lingkungan</i> (Environmental Management and Monitoring Efforts)
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> <li>• RSPO Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020</li> <li>• RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020</li> </ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT SAHABAT MEWAH & MAKMUR subsidiary of PT AUSTINDO NUSANTARA JAYA AGRI	
1.2.2	Contact person	Antoperis Tarigan	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> <li>• RSPO Registered Company: Sinarmas Land Plaza, Lantai 7, Jalan Pangeran Diponegoro No.18, Medan 20152, Sumatera Utara.</li> <li>• Liaison Office: Menara BTPN Lantai 40   Jalan Dr. Ide Anak Agung Gde Agung Kav 5.5 – 5.6, Kawasan Mega Kuningan, Jakarta 12950.</li> </ul>	
1.2.4	Telephone	+62 21 2965 1777	
1.2.5	Fax	+62 21 2965 1788	
1.2.6	E-mail	<a href="mailto:antoperis.tarigan@anj-group.com">antoperis.tarigan@anj-group.com</a>	
1.2.7	Web page address	<a href="http://www.anjagri.com">www.anjagri.com</a>	
1.2.8	Management Representative who completed the application for certification	Mukhlisuddin Nasution (General Manager)	
1.2.9	Registered as RSPO member	1-0032-07-000-00, 27 February 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	<p>Palm Oil Mill and supply base (Jangkang Palm Oil Mill, 5 Estates: Jangkang Estate, Balok Estate, Joseph Jaya Estate, Sari Bunga Estate and Air Ruak Estate and 5 smallholder cooperatives (399 members) i.e Mitra Lestari, Mitra Anugrah, Sambar Jaya Makmur, Berhimpun Sejahtera and Lindong Raya).</p> <p>There is extension scope of Koperasi Tiang Sejahtera, Koperasi Gunung Nyerudong Sejahtera, BUMDES Balok) for an area of 251.57 Ha</p>	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Jangkang POM	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 59' 54" E 107° 52' 35"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude

Jangkang Estate	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 59' 54"	E 107° 52' 33"
Balok Estate	Balok Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 02' 02"	E 107° 54' 56"
Joseph Jaya Estate	Jangkang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 56' 42"	E 107° 52' 58"
Sari Bunga Estate	Nyuruk Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 55' 16"	E 107° 52' 13"
Air Ruak Estate	Simpang Tiga Village, Simpang Renggiang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 54' 04"	E 107° 56' 06"
Mitra Lestari Cooperative Unit (44 smallholders)	Dendang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 05' 30"	E 107° 54' 43"
Mitra Anugrah Cooperative Unit (31 smallholders)	Simpang Tiga Village, Simpang Renggiang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 02° 52' 18"	E 107° 56' 32"
Sambar Jaya Makmur Cooperative Unit (35 smallholders)	Birah Pesak Village, Simpang Pesak Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 03' 33"	E 107° 59' 34"
Berhimpun Sejahtera Cooperative Unit (32 smallholders)	Kelumpang Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 11' 29"	E 108° 00' 19"
Lindung Raya Cooperative Unit (240 smallholders)	Limbungan Village, Gantung Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 03° 04' 54"	E 108° 03' 38"
Gunung Nyerudong Sejahtera Cooperative (145 smallholder)	Renggiang Village, Simpang Renggiang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 2° 53' 25.94"	E 108° 1' 32.206"
Tiong Sejahtera Cooperative (49 smallholder)	Lilangan Village, Gantung Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 3° 8' 14.449"	E 108° 5' 57.724"
BUMDES Balok Tebing Tinggi (1 smallholder)	Balok Village, Dendang Sub District, Belitung Timur District, Kepulauan Bangka Belitung Province, Indonesia	S 3° 2' 3.79"	E 107° 54' 25.11"
<b>1.5 Description of Area Statement</b>			
<b>1.5.1 Tenure</b>			
• State		16,276.87	Ha
• Community		1,006.65	Ha
<b>1.5.2 Area Statement</b>			
		<b>Own Estates (Ha)</b>	<b>Scheme Smallholder (full managed) (Ha)</b>
• Total area		16,276.87	1,006.65
			<b>Total</b>
			17,283.52

• Mature area	10,924.71	884.11	11,808.82
• Immature area	3,436.55		3,436.55
• River Riparian		9.82	9.82
• Building	102.48		102.48
• Mill	6.61		6.61
• Reserve Area	149.65	106.33	255.98
• Occupied Area	369.17		369.17
• Nursery	7.77		7.77
• Conservation area	1,279.93	6.39	1,286.32

*There is an increase number of HCV compare with previous audit due to HCV expansion during replanting activity and additional area conservation on scheme smallholders area*

1.6 Planting Year and Cycles

1.6.1 Age profile of planting year

Planting Year	Hectarage (Ha)						
	JKE	BLE	JJE	SBE	ARE	Smallholder	Total
1992	-	638.15	-	-	260.86	-	899.01
1993	-	-	-	-	1,182.01	-	1,182.01
1994	-	-	-	-	80.90	-	80.90
1995	-	428.83	-	-	-	-	428.83
1996	-	142.30	-	-	821.86	-	964.16
1998	-	194.93	785.79	266.15	-	-	1,246.87
1999	231.79	-	-	402.18	827.90	-	1,461.87
2000	301.48	-	-	470.77	416.77	-	1,189.02
2001	-	-	-	-	30.85	-	30.85
2004	137.95	251.63	-	-	-	-	389.58
2005	620.73	-	-	140.22	281.00	-	1,041.95
2006	-	-	-	-	187.57	-	187.57
2011	-	-	-	-	-	33.12	33.12
2012	-	-	-	-	-	79.54	79.54
2013	-	-	-	-	-	161.85	161.85
2014	-	-	-	-	-	218.97	218.97
2015	-	-	-	547.83	-	-	547.83
2016	463.73	-	-	-	-	390.63	854.36
2017	-	-	810.53	-	-	-	810.53
<b>Sub Total Mature Area</b>	<b>1,755.68</b>	<b>1,655.84</b>	<b>1,596.32</b>	<b>1,827.15</b>	<b>4,089.72</b>	<b>884.11</b>	<b>11,808.80</b>
2018	43.87	1,226.84	505.56	241.10	101.84	-	2,119.75
2019	887.04	-	-	-	42.03	-	2,119.21
2020	268.27	-	-	-	-	-	929.07
2021	-	-	-	-	120.00	-	268.27

	Sub Total Immature Area	1,199.18	1,226.84	505.56	241.10	263.87	-	3,436.55
	TOTAL	2,954.86	2,882.68	2,101.88	2,068.25	4,353.59	884.11	15,245.37
1.6.2	New Planting area after January 2010			- Ha				
1.6.3	Planting Cycle			2 <sup>nd</sup> Cycle				
1.7	Description of Mill and Supply Base							
1.7.1	Description of Mill							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Jangkang POM	60	323,604.67	69,190.60	21.38	15,221.90	4.70	
	<i>*Production data source from October 2021 – September 2022</i>							
1.7.2	Description of Certification Scope of Supply Base							
	Name of Estate	Total Area (Ha)	Production Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill		
						FFB (tonnes/year)	%	
	Jangkang Estate	3,592.95	1,755.68	32,909.52	18.74	32,909.52	100	
	Balok Estate	3,274.46	1,655.84	47,577.29	28.73	47,577.29	100	
	Joseph Jaya Estate	2,195.83	1,596.32	40,286.96	25.24	40,286.96	100	
	Sari Bunga Estate	2,327.55	1,827.15	39,565.61	21.65	39,565.61	100	
	Air Ruak Estate	4,886.08	4,089.72	48,815.90	11.94	48,815.90	100	
	Mitra Lestari Cooperative Unit (44 smallholders)	55.79	55.79	1,346.74	24.14	1,346.74	100	
	Mitra Anugrah Cooperative Unit (31 smallholders)	52.86	52.86	1,673.65	31.66	1,673.65	100	
	Sambar Jaya Makmur Cooperative Unit (35 smallholders)	70.53	70.34	1,177.09	16.73	1,177.09	100	
	Berhimpun Sejahtera Cooperative Unit (32 smallholders)	64.9	64.9	1,588.05	24.47	1,588.05	100	
	Lindong Raya Cooperative Unit (240 smallholders)	511	390.63	4,705.66	12.05	4,705.66	100	
	TOTAL	17,031.95	11,559.23	219,646.47	19.00	219,646.47	100	
	<i>*Production data source from October 2021 – September 2022</i>							
1.7.3	FFB description from other source							
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill			
					FFB (tonnes/year)			
	Gunung Nyerudong Cooperative	Associated Smallholder	245	156.05	2,522.34			
	Tiong Sejahtera Cooperative		49	66.11	1,536.78			
	Bumdes Tebing Tinggi (Balok)		-	29.41	529.70			
	Koperasi Anugerah	Independent smallholder	-	-	8,508.97			
	Koperasi Bumi Makmur		-	-	38,465.98			



Koperasi Sawit Sepakat Maju	-	-	1,355.92
CV. Subur Mandiri	-	-	787.13
CV. Tata Subur Makmur	-	-	2,308.87
PT. Sawit Alam Permai	-	-	5,499.76
PT. Rawi Agro Mandiri			1,985.97
KUD Bakti			11,204.54
PT. Agro Inti Abadi			3,257.15
PT. Henco Billitone Agroindo			2,125.11
PT. Tri Selaras Agri			8,618.70
PT. Hasil Sawit Bina Sejahtera			3,177.64
PT. Beltim Karya Mandiri	-	-	4,241.32
CV. Harapan Baru	-	-	733.04
CV. Sinar Cahaya Abadi	-	-	855.86
CV. Agung Permata			1,677.95
Koperasi Petani Maju Jaya Abadi			798.79
Koperasi Produsen Barokah Mitra Mandiri Batu Penyus			3,870.18
<b>TOTAL</b>			<b>104,061.70</b>

*\*\*Production data source from October 2021 – September 2022*

*\*all FFB from other sources are non certified*

1.7.4	Product categories	FFB, CPO, PK			
1.8	Tonnage of Product				
1.8.1	Past Annual Claim Certified Product	Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (MT)		
	FFB Processed	250,000	219,539.66		
	CPO Production	55,000	48,746.35		
	Palm Kernel (PK) Production	12,500	10,521.67		
1.8.2	Product selling	Actual selling product for last year (MT)			
	Type of selling product				
	CSPO sold as RSPO certified product	41,239.18			
	CSPK sold as RSPO certified product	6,050.00			
	CSPO sold under other scheme	0			
	CSPK sold under other scheme	0			
	CSPO sold as conventional	2,000.00			
	CSPK sold as conventional	0			
1.8.3	Estimate of Certified FFB Claim				
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>
	Jangkang Estate	3,592.95	1,755.68	34,000	19.37
	Balok Estate	3,274.46	1,655.84	49,000	29.59
	Joseph Jaya Estate	2,195.83	1,596.32	42,000	26.31
	Sari Bunga Estate	2,327.55	1,827.15	41,000	22.44

Air Ruak Estate	4,886.08	4,089.72	51,000	12.47
Mitra Lestari Cooperative Unit (44 smallholders)	55.79	55.79	1,600	28.68
Mitra Anugrah Cooperative Unit (31 smallholders)	52.86	52.86	1,700	32.16
Sambar Jaya Makmur Cooperative Unit (35 smallholders)	70.53	70.34	1,700	24.17
Berhimpun Sejahtera Cooperative Unit (32 smallholders)	64.9	64.9	2,000	30.82
Lindung Raya Cooperative Unit (240 smallholders)	511	390.63	6,000	15.36
Gunung Nyerudong Sejahtera Cooperative (145 smallholders)	156.05	156.05	2,650.00	16.98
Tiong Sejahtera Cooperative (49 smallholders)	66.11	66.11	1,620.00	24.50
BUMDES Balok Tebing Tinggi (1 smallholder)	29.41	29.41	560	19.04
<b>TOTAL</b>	<b>17,283.52</b>	<b>11,808.82</b>	<b>234,830</b>	<b>19.88</b>

*\*Projected FFB production for 12 months of certificate*

1.8.4 Estimate of Certified Palm Product Claim

Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Module
			Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
Jangkang	60	234,830	52,000	22.14	11,800	5.02	MB

*\*Projected CSPO and CSPK production for 12 months of certificate*

1.9 Other Certifications

ISO 14001 : 2015	ID003903, valid to 08 April 2024
ISO 45001 : 2018	ID003904, valid to 21 July 2024
ISPO	TNI-ISPO-I-2003, valid to 22 September 2025
ISCC	EU-ISCC-Cert-DE129-35208680, valid to 24 December 2022
SMK3	REG.SMK3.2019.SUC.SK-264, valid to 28 March 2021
PROPER (Emas)	Gold for period of 2021

1.10 Time Bound Plan

1.10.1 Time Bound Plan for Other Management Units

Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status
MILL	Time Bound Plan				
ANJA Siais (PT ANJA Siais)	2014	Lembah Subur Utara	2014	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	Certified
		Lembah Subur Selatan	2014		
		Binasari Cooperative	2022		Certified
Jangkang (PT Sahabat Mewah Makmur)	2009	Jangkang	2009	Belitung Timur District, Bangka Belitung Province, Indonesia	Certified
		Balok	2009		
		Ladang Jaya	2009		
		Sari Bunga	2009		

		Air Ruak	2009		
		Mitra Lestari Cooperative	2019		Certified
		Mitra Anugerah Cooperative (49 ha)	2019		Certified
		Mitra Anugerah Cooperative (3,86 ha)	2025		-
		Sambar Jaya Makmur Cooperative	2019		Certified
		Lindong Raya Cooperative (366 ha)	2020		Certified
		Lindong Raya Cooperative (145 ha)	2025		-
		Berhimpun Sejahtera Cooperative (64 ha)	2020		Certified
		Berhimpun Sejahtera Cooperative (76,73 ha)	2025		-
		Tiong Sejahtera Cooperative	2025		-
		Gunung Nyerudong Cooperative	2025		-
		Bumdes Balok	2025		-
Binanga (PT ANJ Agri)	2012	Estate Wilayah Timur	2012	Padang Lawas Utara District, Sumatera Utara Province, Indonesia	Certified
		Estate Wilayah Tengah	2012		
		Estate Wilayah Barat	2012		
KAL POM (PT.Kayung Agro Lestari)	2019	Sungai Gemilang Teduh 1 (SGT-1)	2019	Ketapang District, Kalimantan Barat Province, Indonesia	Certified
		Sungai Gemilang Teduh 2 (SGT-2)	2019		
		Gunung Sejahtera Tumbuh 2 (GST-2)	2019		
		Gunung Sejahtera Tumbuh 1 (GST-1)	2019		
		Mitra Estate (Laman Mayang Sejahtera) (1,991.97 ha)	2020		
		Mitra Estate (Laman Mayang Sejahtera) (87 ha)	2025		
		Mitra Estate (Bina Satong Lestari)	2021		
		Mitra Estate (Lestari Abadi Bersama)	2022		
		PT Galempa Sejahtera Bersama	2027	Empat Lawang Distict, Sumatera Selatan Province, Indonesia	-
PMP POM (PT PMP)	2022	PT Putera Manunggal Perkasa	2022	Sorong Selatan District, Papua Barat Province, Indonesia	Certified

			PT Permata Putera Mandiri	2022	Sorong Selatan District, Papua Barat Province, Indonesia	Certified
			Koperasi Maju Bersama Sejahtera	2025	Sorong Selatan District, Papua Barat Province, Indonesia	-
			Koperasi Sukka Mandiri Bersama	2023	Maybrat District, Papua Barat Province, Indonesia	-
	<p>TBP is updated and approved by RSPO on 29 September 2022</p> <p>Document of revision of certification time-bound statement of PT ANJA and its subsidiaries on June 16 2022, with justification i.e:</p> <ul style="list-style-type: none"> <li>• RSPO certification of PT GSB, which was originally targeted to be obtained in 2020, has been changed to 2027 because the land compensation process has not been completed so planting and factory construction were also delayed. PT GSB's palm oil mill is planned to be built in 2023. RSPO certification will take place after the mill is operational.</li> <li>• RSPO certification of smallholder in PT Sahabat Mewah dan Makmur has targeted in 2020 and 2021, has been changed to 2025 because NPP process.</li> </ul>					
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>					
	-					

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
ASA - 2.2	<ol style="list-style-type: none"> <li>1. <b>Arief Yusni (Lead Auditor)</b>. Indonesian citizen. Bachelor of Agriculture, majoring in Plant Protection. Has experience as an operational staff at a private oil palm plantation company in Indonesia on 2010 to 2012. Has attended several trainings, i.e.: ISO 19011, ISO 9001; ISO 14001, SA 8000, RSPO lead auditor course in 2014, ISPO lead auditor, OHS expert, OHS auditor based on National Government No. 50/2012, SCCS, RSPO and ISPO Lead auditor refresher course in 2021 etc. Has conducting ISPO, RSPO and MSPO audit as an auditor and lead auditor with expertise on best management practices for estate and mill, legality, worker welfare, safety, social, environment, conservation, transparency, long term economic management plan and supply chain for palm oil mill aspects. During the audit, he verified Legality, Social, TBP and Partial certification.</li> <li>2. <b>Radytio Puspanjana (Auditor)</b>. Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMIT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial Information System, IHT High Conservation Value, IHT Environmental Impact Assessment, IHT Green House Gas and RSPO Lead Auditor Course by Checkmark Training. Since 2015 has been following many audits as auditor base on Best Management Practice and Environment. During this assessment, he verified the aspects of Best Management Practice and OHS</li> <li>3. <b>Yudhi Yuniarto Tallutondok (Auditor)</b>. Indonesian citizen, Bachelor of Fisheries, Padjadjaran University. Have experience of working over three years since 2013 as plantation operations staff in private palm oil plantation company in Indonesia. Training have been followed including Lead Auditor of ISO 9001:2015, Lead Auditor of ISO 14001:2015, ISPO Auditor Training, RSPO P&amp;C Lead Auditor Training Course, RSPO SCC Lead Auditor Course, Social Accountability 8000, Basic Management Development Program Agronomy, Fire Anticipation on Land and Forest, Potential Mapping and Conflict Resolution in Production Forests, Awareness of OHS aspects, ISO 45001:2018, ISO 22000:2009, ISO 19011:2011, ISO 17021:2011, dan ISO 17065:2012. Has participated in audit activities for ISPO and RSPO scheme since 2017 for BMP, OHS, labour, social and legal aspects. In this audit activity performs the assessment of worker welfare and SCCS</li> <li>4. <b>Alfiandy Sukmawati (Auditor Trainee)</b>. Indonesian Citizen. Bachelor of Public Health, major in Environmental Health, University of Indonesia. Has experience working in as HSE specialist for 5 years. Has attended training in AMDAL A &amp; B, ISO 14001 auditor training, OSHAS, ISPO by LPP, <i>Lead Auditor</i> ISO 9001:2015, Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 45001, and Awareness ISO 19011. Has participated in several simulations of audit activities related to the certification system for sustainable palm oil plantations with environmental aspects. During the audit, she verified environment aspect, waste management, GHG and conservation aspect under supervised by Lead Auditor</li> </ol>
Ext-Scope	<ol style="list-style-type: none"> <li>1. <b>Haikal Ramadhan Kharismansyah (Lead Auditor)</b>. Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 3 years' experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001:2015, Auditor ISPO, RSPO Lead Auditor Training, ISO 22000 awareness, RSPO SCCS. Did some audit ISPO scheme with aspects best management practices. During this audit, he assigned to verify legal aspect, land dispute, SCCS, TBP and partial certification aspect.</li> <li>2. <b>Arief Tajalli (Auditor)</b>. Indonesian citizen, Bachelor of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University. Has been involved as a researcher at a wildlife laboratory, Faculty of Forestry, IPB. The trainings that have been attended include training for ISO 9001; 2008, ISO 14001; 2004, ISO 17021; 2015, ISO 17065, ISO 19011 and ISPO Auditor training by Mutu Institute and RSPO Auditor Training by Checkmark, also participating in several IHT in the field of environment, BMP, and so on. Has participated in several audit simulation activities related to the sustainable palm oil certification system since 2020 with social, environmental, GHG, and waste management aspect. During this assessment, he verified the Environmental, Social, GHG, and Waste management aspects.</li> <li>3. <b>Sentot Adi Subandono (Auditor)</b>. Indonesian citizen, Bachelor of Agriculture, Department of Agricultural Cultivation. He has five years of experience working since 2005 as Plantation Operational Staff and nine years as</li> </ol>

	<p>Internal Auditor in private oil palm plantations in Indonesia. The training that has been attended includes the Basic Management Development Program of Palm Oil Plantation, Use of Limited Pesticides, Best Practices in Internal Auditing, Fraud Auditing: Prevention, Detection, and Investigation, Operational Risk Approach in Internal Auditing, General Occupational Health and Safety Expert, ISPO Auditor Training in 2016, ISO 9001: 2015, RSPO Lead Auditor Training in 2021, and SMETA awareness training. During this assessment, the aspects of employment and transparency were verified.</p> <p>4. <b>Johannes Kapri Pandiangan (Auditor Trainee).</b> Indonesian Citizen, Bachelor of Agriculture, Department of Agricultural Socio-Economy, University of North Sumatra. Has 7 years of working experience as operational staff of one of the leading private oil palm plantation companies in Indonesia. Trainings that have been attended include: Forest and land fire emergency response training by BKSDA Riau Province, IHT Certification System and ISPO P&amp;C, IHT Awareness ISO 17021 and 17065, IHT Awareness RSPO, ISO 14001:2015 Lead Auditor Training, ISO 9001 Lead Auditor Training: 2015 and ISPO Training, and RSPO Lead Auditor Training in 2021. During this audit verified BMP and OHS aspects supervised by Lead Auditor.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA - 2.2</b>	<p>Number of auditors: 3 auditor and 1 auditor trainee</p> <p>Number of days for Onsite Assessment at site: 4 days</p> <p>Number of working days for Onsite Assessment at site : 12 Working days</p>
<b>Ext-Scope</b>	<p>Number of auditors: 3 auditor and 1 trainee</p> <p>Number of days for Ext-Scope onsite audit: 4 days</p> <p>Number of working days for Ext-Scope onsite audit: 12 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA - 2.2</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sahabat Mewah dan Makmur to the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020.</p> <p>The audit program is included as Appendix 2. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>During the COVID-19 pandemic, there were several modifications to the audit activity due to health protocols. Audit process carried out with high safety protocol procedure that developed by Certification Body and the unit of certification. before an onsite audit carried out, there are several meetings to discuss health protocol procedures. There are several activities that are not possible to do face to face, such as public consultations with government agencies, communities, or previous landowners so that these activities are carried out by telephone. Furthermore, during field observation auditor only verification the activity and interview process carried separately by telephone. Document verification conducted separately through the electronic files.</p> <p>Public Stakeholder Notification was made on Mutu Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. 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. 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</p>

	<p>interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment</p> <p>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 meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.</p> <p>Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.</p> <p>Some opportunities for improvement of the results ASA-2.2 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-2.3). Improvement of findings from main assessment findings were observed by auditors at this ASA-2.2 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-2.3</p> <p>The assessment program please find Appendix 2</p>
<p>Ext-Scope</p>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Sahabat Mewah dan Makmur to the requirements of</p> <ul style="list-style-type: none"> <li>• RSP0 Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesian National Interpretation, Endorsed by the RSP0 Board of Governors on 20<sup>th</sup> April 2020</li> <li>• RSP0 Certification Systems for Principles &amp; Criteria and RSP0 Independent Smallholder Standard, Endorsed by the RSP0 Board of Governors on 12 November 2020</li> </ul> <p>This assessment are extension scope of Jangkang POM - PT Sahabat Mewah dan Makmur which planned to add an additional unit namely Gunung Nyerudong Sejahtera Cooperative, Tiong Sejahtera Cooperative, and BUMDES Balok Tebing Tinggi. Formerly the scope of certification of consist of one mill one (1) mill and five (5) oil palm estates which divided one own estate and scheme smallholders that consist of five cooperative.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Public Stakeholder Notification was made on Mutu Website. There is no written negative feedback receive. Stakeholder consultation involved internal and external stakeholders. Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSP0 requirements and aspects where they considered that improvements could be made. 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 interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. The comments made by external stakeholders were also taken into account in the assessment</p> <p>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 wife's of workers and staff were interviewed in informal meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix 1.</p> <p>Commonly, the audit activities went smoothly with good support from the unit management. The presentation of documents is presented quite well by involving related personnel.</p> <p>The assessment program please find Appendix 2</p>
<p>2.2.3</p>	<p>Locations of Assessment</p>

ASA-2.2

The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. The mill was audited together with the estates (or smallholders) of its supply base. The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula  $N = (0.8\sqrt{y}) \times (z)$  where y is the number of estates and where z is the multiplier defined by risk assessment sampling of estates and scheme smallholders shall be carried out separately. On this assessment sample locations that visited and respondent that interviewed by team auditor are:

**Jangkang POM**

- Agrochemical Storage Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- Fuel and Oil Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Sparepart and PPE Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Workshop. Observation and interview with worker related to workshop activity, OHS, environmental and worker welfare aspect.
- Water Treatment Plant. Observations and interviews on clean water treatment, OHS and environmental aspects.
- Empty Bunch Area. Observation related to empty bunch management and environmental aspects.
- Hydrant Simulation No. 5. Observation related to emergency response, readiness of fire fighting equipment.
- Weighbridge Station. Observations and interviews related to training, FFB traceability and supply chain system.
- Security. Observations and interviews related to workers welfare, training, FFB traceability and supply chain system.
- Sortation and Grading. Observation regarding the quality of FFB, OHS aspect, and worker welfare.
- Engine room. Observation related work process, OHS and environment aspect.
- Sterilizer Station. Observation related work process, OHS and environment aspect.
- Boiler Station. Observation related work process, OHS and environment aspect.
- Press Station. Observation related work process, OHS and environment aspect.
- Loading Ramp Station. Observation related work process, OHS and environment aspect.
- Mill Laboratory. Field observations and interview related procedure and the quality of product measurements
- Waste Water Treatment Plant. Observation about WWTP condition and interview with WWTP operator about his job description and WWTP management

**Jangkang Estate**

- POME Land Application, Block P27. Observation of utilization of POME as organic manuring by land application.
- Clinic. Observation of the facilities, paramedic legality, and infectious waste management.
- Workshop. Observation and Interview with workers related to OHS, environmental and workers welfare aspects.
- General Storage. Observation for material handling, PPE Stock and OHS aspect.
- Chemical Storage. Observation for material handling, OHS, and environmental aspects.
- Fertilizer Storage. Observation for material handling, OHS, and environmental aspects.
- Diesel And Gasoline Fuel Tank. Observation for material handling, OHS, and environmental aspects.
- Temporary Hazardous Waste Storage. Observation for OHS, waste disposal, and environmental aspects.
- Firefighting Facilities Storage. Observation of firefighting facilities and the team readiness.

**Balok Estate**

- Sparepart and PPE Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Fuel and Oil Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Agrochemical Storage Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- Pesticide Mixing Area. Observation and interview with worker related to procedure material handling, waste,



OHS, and environmental aspect.

- Firefighting Equipment Storage. Observation and interview with worker related to hazardous waste management, OHS, and environmental aspects
- Rinse House and Spray PPE Storage. Observation of worker facilities for PPE storage and rinse activities
- Domestic Waste Landfill. Observation related domestic waste management and environmental aspect.
- Daycare. Observations and interviews on facilities, access to clean water, sanitation, building feasibility, and OHS.
- Emplacement Area. Observations and interviews on housing facilities, access to clean water, sanitation, and building feasibility.
- Used Oil Storage at Emplacement Area. Observation related hazardous waste management and environmental aspect
- Fuel Station. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Water Treatment Plant for Emplacement Area. Observation and interviews on clean water treatment, OHS and environmental aspects.
- Water Reservoir for Emplacement. Observation related water management and environmental aspect.
- Harvesting, block P43. Observation of harvesting and interviews with harvesters and foreman associated with work such as the distribution harvesting plots, the wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.
- Interview with applicator of Plant Protection Product, Block R33. Observation and interviews with workers related Plant Protection Product activity, Calibration, OHS, training, and employment.
- Interview with Fertilizer worker, Block Q43. Observation and interviews with workers related Fertilizer activity, Calibration, OHS, training, and employment.
- Barn Owl Box, Block Q39. Observation of the implementation of rat pest control.
- Block P41. Maintaining of Beneficials Plants
- HGU Pole No. 103 (block B48), No 105 (block O47), No. 106 (O46), No. 107 (O45). Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties.
- HCV Balok River Riparian Area, Block 39 division 5. Observation the implementation of management in HCV of riparian area.
- HCV Balok sacred tomb area, division 7. Observation the implementation of management in HCV of sacred area.
- HCV *Kerangas* forest, Block U37 division 7. Observation the implementation of management in HCV of riparian area.

**Air Ruak Estate**

- Fuel and Oil Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect
- Agrochemical Storage Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- Pesticide Mixing Area. Observation and interview with worker related to procedure material (pesticide) handling, waste, OHS, and environmental aspect.
- Sparepart and PPE Storage. Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- Firefighting Equipment Storage. Observation and interview with worker related to hazardous waste management, OHS, and environmental aspects
- Rinse House and Spray PPE Storage. Observation of worker facilities for PPE storage and rinse activities, OHS, and environmental aspects.
- Emplacement Area. Observations and interviews on housing facilities, access to clean water, sanitation, and building feasibility.
- Used Oil Storage at Emplacement Area. Observation related hazardous waste management and environmental aspect
- Daycare. Observations and interviews on facilities, access to clean water, sanitation, building feasibility, and OHS.

- Clinic. Observation and interview with worker related to clinic condition, OHS, and environmental aspects.
- Water Treatment Plant for Emplacement Area. Field observations and interviews on clean water treatment, OHS and environmental aspects.
- Composting Area. Field observations related to waste management and composting process.
- Ecoenzym Area. Field observations related to waste management and ecoenzym process.
- Domestic Waste Landfill. Observation related domestic waste management.
- Water Reservoir for Emplacement. Observation related water management and environmental aspect.
- HGU Pole No. 019 (block F76), 018 (block D76), 017 (block D76), and No. 092. Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties.
- HCV Lenggang River Riparian Area, Block E48 division 16. Observation the implementation of management in HCV of riparian area.
- HCV Tedong River Riparian Area, Block C62 division 17. Observation the implementation of management in HCV of riparian area.
- Manuring Activity Block F51. Observation and interview related understanding towards work instruction, OSH, worker welfare, grievance mechanism and environment aspects, as well as facilities provided by the company.
- Reserve Area Block D52. Observation related potential planting area
- Occupation Area Block D58 and D59. Observation regarding occupation area, plantation boundaries and potential land disputes
- New Development Area Block E64 and E 65. Observation regarding new planting area (go area)
- Replanting Area Block B 53. Observation regarding replanting activity
- High Risk Area Block B 53. Observation the condition of No Go area and land boundary
- Racking Block B53. Observation and interviews with workers related manual weeding, health insurance and labor protection, safe work practices and use of PPE.

#### Sari Bunga Estate

- Harvesting, block E31. Observation of harvesting and interviews with harvesters and foreman associated with work such as the distribution harvesting plots, the wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.
- Interview with applicator of pesticide, Block E31. Observation and interviews with workers related Plant Protection Product activity, Calibration, OHS, training, and employment.
- Interview with Fertilizer worker, F37. Observation and interviews with workers related Fertilizer activity, Calibration, OHS, training, and employment.
- Barn owl box, block F22. Observation of the implementation of rat pest control.
- Block P41, Maintaining of Beneficials Plants
- Block F32 and E20, Occupation area. Observation and interview regarding condition of occupation.
- HGU Pole No. 103, 015, 016, 017 and 018 Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties.
- HCV Lenggang River Riparian Area, Block D18 division 10. Observation the implementation of management in HCV of riparian area.
- HCV Mentaya hill, Block F12 division 10. Observation the implementation of management in HCV of sacred area.
- Workers Housing Complex. Observation of housing appropriateness, sanitation, and domestic waste management.
- Worker Welfare Facilities: Mosque, Church, Sport Court, Children Daycare. Observation of company's supporting facilities to improve worker welfare.
- General Storage. Observation for material handling, PPE Stock and OHS aspect.
- Chemical Storage. Observation for material handling, OHS, and environmental aspects.
- Fertilizer Storage. Observation for material handling, OHS, and environmental aspects.
- Diesel and Gasoline Fuel Tank. Observation for material handling, OHS, and environmental aspects.
- Firefighting Facilities Storage. Observation of firefighting facilities and the team readiness.
- Temporary Hazardous Waste Storage. Observation for OHS, waste disposal, and environmental aspects.

	<ul style="list-style-type: none"> <li>• Spraying Tool, House Rinse, and PPE Storage. Observation the management of tool and PPE of spraying, environment and safety aspect</li> <li>• Landfill at H21. Observation of domestic waste management.</li> </ul> <p><b>Berhimpun Sejahtera Cooperative</b></p> <ul style="list-style-type: none"> <li>• Harvesting Blok T06). Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.</li> <li>• Berhimpun Sejahtera Cooperative Secretariat. Observation and interview with the cooperative official related best practices mechanism, legality, and administration system.</li> </ul> <p><b>Sambar Jaya Cooperative</b></p> <ul style="list-style-type: none"> <li>• Harvesting Block B06. Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.</li> <li>• Manual Weeding Block B02. Observation and interview with safe working practices and also worker welfare.</li> </ul> <p><b>Mitra Anugerah Cooperative</b></p> <ul style="list-style-type: none"> <li>• Harvesting Block A02. Observation and interview with harvester related fruit ripeness, safe working practices and also worker welfare.</li> </ul>
<p>Ext-Scope</p>	<p>The sampling location consider the issue arise from the review documents and stakeholder's consultation that are fundamental and crucial. The mill was audited together with the estates (or smallholders) of its supply base. The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula <math>N = (0.8\sqrt{y}) \times (z)</math> where y is the number of estates and where "z" is the multiplier defined by risk assessment sampling of estates and scheme smallholders shall be carried out separately. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>Tiong Sejahtera Cooperative (KTS)</b></p> <ul style="list-style-type: none"> <li>• Block 01, 02 and 03. Observations related to the management of environmental aspects and boundaries of planting areas.</li> <li>• Demarcation (SHM pole). Observations related to monitoring of HGU stakes, land boundaries and potential land disputes/conflicts with community/external parties.</li> <li>• Manuring Activity Block 01 &amp; 02. Observation and interview related understanding towards work instruction, OSH, worker welfare, grievance mechanism and environment aspects, as well as facilities provided by the company.</li> <li>• Upkeep Activity Block 01. Observation and interview related understanding towards work instruction, OSH, worker welfare, grievance mechanism and environment aspects, as well as facilities provided by the company.</li> <li>• PPE Storage. Observation for material handling, OHS, and environmental aspects.</li> </ul> <p><b>Gunong Nyerudong Sejahtera Cooperative (KGNS)</b></p> <ul style="list-style-type: none"> <li>• Harvesting. Block G04. Observation related harvesting activity, OHS and worker welfare aspect</li> <li>• Land Boundaries and environment management. Block G05 &amp; Block G03. Observations related to the management of environmental aspects and boundaries of planting areas.</li> <li>• PPE Storage. Observation for material handling, OHS, and environmental aspects.</li> </ul> <p><b>BUMDES Tebing Tinggi</b></p> <ul style="list-style-type: none"> <li>• Upkeep Activity Block K02. Observation and interview related understanding towards work instruction, OSH, worker welfare, grievance mechanism and environment aspects, as well as facilities provided by the company.</li> <li>• Land Boundaries Block K02. Observations related to the management of environmental aspects and boundaries of planting areas.</li> </ul>
<p>2.3</p>	<p>Stakeholder Consultation and Stakeholders Contacted</p>
<p>2.3.1</p>	<p>Summary of stakeholder consultation process.</p>

<p>ASA- 2.2</p>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for PT Sahabat Mewah dan Makmur was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on website PT Mutuagung Lestari on 10 October 2022</li> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 19 October 2022</li> <li>• Public consultation by phone with government institution on 25 October 2022</li> <li>• Public consultation meeting with communities on 25 October 2022</li> <li>• Public consultation meeting with internal stakeholders and contractor on 24 October 2022</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Sahabat Mewah dan Makmur.</p>
<p>Ext- Scope</p>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for PT Sahabat Mewah dan Makmur was held by:</p> <ul style="list-style-type: none"> <li>• Public consultation with NGOs (by email) such as WALHI, WWF, and Sawit Watch on 15 February 2023</li> <li>• Public consultation by phone with government institution on 21 February 2023</li> <li>• Public consultation meeting with communities including members of cooperatives on 21 February 2023</li> <li>• Public consultation meeting with internal stakeholders and contractor on 21 February 2023</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Sahabat Mewah dan Makmur.</p>
<p>2.3.2</p>	<p><b>Stakeholder contacted</b>            Please find appendix 1</p>
<p>2.4</p>	<p><b>Determining Next Assessment</b>            The next visit (ASA 2.3) will be conducted 8 (eight) months to twelve (12) months after date of annual license.</p>

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Jangkang POM – PT Sahabat Mewah & Makmur subsidiary of Austindo Nusantara Jaya Agri operation consisting of one (1) mill, five (5) oil palm estates and eight (8) cooperative unit plantation partnership (total of 577 smallholders).

During the assessment, there were Nil (0) Nonconformity was assigned against RSPO Indicators and nine (9) opportunity for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Jangkang POM – PT Sahabat Mewah & Makmur, Subsidiary of Austindo Nusantara Jaya Agri complied with the requirements of Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and adopted at the 15<sup>th</sup> Annual General Assembly by RSPO Member on 15 November 2018 RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, Endorsed by the RSPO Board of Governors on 12 November 2020

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>		
<b>1.1</b>	<b>The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<p>The unit of certification has procedure for Communication and Information Provision Procedures SOP-Leg-02 rev. 04 dated September 1, 2015, which explains the reference to the accessibility of information access for internal and external stakeholders, including the provision of confidential information.</p> <p>The unit of certification also has appointed person in charge in the requests for information from stakeholders. Information requests will be responded with maximum time of 3 days since mail received. Based on verification document and interview with eksternal stakeholders, management always responds the information request no longer than 3 working days.</p> <p>List of types of public documents that can be accessed by the public for example are; employee list, wage register, NPWP, local tax payment / levy, environmental documents, certificate of incorporation companies and changes, production area data and fertilizer application, proof of land ownership and <i>HGU</i> certificates, High Conservation Value reports, Social Impact Assessment reports, social activity documents, and work accident reports and <i>P2K3</i> reports, improvement program documents, RSPO audit report documents, documents human rights policy.</p> <p>The certification unit also shows evidence of mandatory reporting, for examples are;</p> <ul style="list-style-type: none"> <li>• Employment mandatory report with the number 12950.20211103.0016 on behalf of PT Sahabat Mewah dan Makmur dated November 3, 2021 and is required to report back on November 3, 2022.</li> <li>• Report of <i>LKS Bipartite</i> for Semester 1 of 2022 to the Department of Manpower, Cooperatives, Small and Medium Enterprises on August 1, 2022.</li> <li>• Report on the Use of Third Party Labour (Outsourcing) at PT SMM which was reported on October 25, 2022.</li> </ul>	

Unit of Certification also have website (<https://anj-group.com/en/our-profile>) and some information is publicly available such as policy, organization structure and sustainability report.

#### **Ext.Scope**

Reporting on labor aspects, for example reporting on the number of workers that have been routinely carried out by the company. The said workforce includes workers at KTS, KGNS, and BUMDES Tebing Tinggi. Last reporting January 31, 2023 with number 33561.20230131.0002, and the obligation to report back on January 31, 2024. The results of interviews and field observations found that there were no outsourced workers, and the status of workers was permanent employees.

#### **1.1.2; 1.1.3**

The unit of certification has list of documents that can be accessed publicly. The submission period for respond no later than 3 days after the letter is received. Unit of certification can show records of providing information to relevant agencies in the form of routine reports. All available documents are information that can be accessed by the public by submitting an official letter of request for information. All information is provided in Bahasa. Information can be accessed by submitting requests verbally, e-mail, fax, telephone and direct visits.

From the results of the document review on the recording of incoming and outgoing mail logs in 2022, there were no requests for information from stakeholders. However, there are some notes regarding donation requests and routine reporting to related institution.

Based on the results of interviews with the head of Jangkang Village and the Environment Agency of Belitung Timur District, it is known that stakeholders know the procedures for requesting information and information is presented in an appropriate and accessible language, including through e-messages or official letters from the office.

#### **Ext.Scope**

The unit of certification can show evidence that information has been received in an appropriate form and language related to stakeholder engagement, rights and obligations of the company which is conveyed to all relevant stakeholders, including:

#### **Compliance with Social and Environmental Regulations**

The three units of certification have no obligation to report mandatory in the environmental aspect, because if they refer to the environmental documents they have, all of them are SPPLs, so there is no obligation for routine reporting.

#### **Compliance with Best Management Practices Regulation**

Based on the results of interviews with the management of PT SMM, it is known that the management of the entire Partnership Estate is carried out by PT SMM. The company has shown the PUP Report for Semester II of 2022 with number 01-01/EA-CID/SMM/2023 which was reported to the East Belitung Regency Agriculture and Food Service with proof of document receipt on January 11, 2023, where the receipt was signed by the receiving officer and equipped with an official stamp. The report reports related to PT SMM's activities both for the nucleus estate and for the plasma/partnership.

#### **Compliance with manpower regulations**

Reporting on employment aspects, for example reporting on the number of workers that have been routinely carried out by companies in WLKP (Mandatory Report on Employment in Companies). the latest WLKP report, the said workforce includes workers at KTS, KGNS, and BUMDES Tebing Tinggi. Last reporting January 31, 2023 with number 33561.20230131.0002, and the obligation to report back on January 31, 2024. The results of interviews and field observations found that there were no outsourced workers, and the status of workers was permanent employees.

The recording of KTS, KGNS, and BUMDES Tebing Tinggi entry and exit letters is incorporated into the company record. From the results of a review of documents for recording incoming and outgoing mail logs for 2022, there were no requests for information from stakeholders. There are invitations from stakeholders, requests for donations, and requests for assistance.

#### **1.1.4**

The certification unit has Consultation and Communication Procedures, which are listed in the SOP for Management of External Stakeholder Complaints, number SOP-CID-03, 1 November, 2020, regulated in the document are include:

- Complaints received and recorded in the complaint form will be followed up to the next process a maximum of 3 working days from the time the complaint is received.
- The process of responding to divinity is carried out a maximum of 14 working days from the time the complaint is received and recorded in the Complaint Form
- Personnel appointed to receive and respond to complaints such as Government Relations/ EA (External Affair)-CID (Community Involvement and Development) Officer, Government Relations/ EA-CID Manager, Security Post Guard and Security Manager/ CSO (Chief Security Officer).

Record of information is stored in the information book on each management unit. In the book shows that there is no incoming information requested, but proposals or invitation to attend a meeting held by stakeholders. However, the certificate holder has submitted mandatory reports regularly to the related agencies such as employment report, environment management report, and plantation development report.

The evidence of the socialization of SOPs for Communication and Consultation to relevant stakeholders that have been carried out for example on 7 February 2022.

**Ext.Scope**

Record information is stored in an information book with the format FRM-SOP -CID-03. In the book, it can be seen that no incoming information was requested, but requests for assistance were held by stakeholders. The results of interviews with the Heads of Lilangan, Renggiang, and Balok Villages revealed that they already knew the mechanism for communicating/information to the company. The results of the document review also revealed that the company's response took a long time, for example a request for funds for a comparative study from Jangkang Village which was sent on January 11, 2023, was responded to on January 14, 2023.

**1.1.5**

The company has a recording of a stakeholder list that was updated on 22 September 2022 explains 190 names of the institution/organization, address, contact number and name of the serving personnel, such as contractors, labor unions, government institutions, villages around the company, NGO, etc. The person to be contacted clearly stated in the stakeholder list. From the results of interviews via telephone with stakeholders referring to the list, it can be connected and the information found is valid.

**Ext.Scope**

The list of KTS, KGNS, and Tebing Tinggi BUMDES stakeholders are incorporated in the PT SMM stakeholder list. PT SMM has a record of the list of stakeholders that has been updated on February 2, 2023 which was made by CID Staff and explains the name of the institution/organization, address, contact number and name of the personnel in office, including the provincial government, regional government, muspika and village, police and military, media and NGOs, partners, suppliers, contractors, community, educational and religious organizations, community leaders, internal company organizations, and farmer-cooperative member farmers.

	Status: Comply	
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**1.2**  
The unit of certification commits to ethical conduct in all business operations and business transactions.

**1.2.1**

The certification unit has code of conduct document for all operational activities. Code of conduct explain Code of Conduct Principles, Conflict of Interest, Bribery and Illegal or Unethical Practices, Entertainment and Gifts, Misuse of Position, Insider Trading, Confidentiality, Restriction on Solicitation, Media Relations, *LKS Bipartite*, Political and Social Activities, Installation of Illegal Computer Software, Anti Money Laundering, Trade Compliance & Export Controls and Sanctions, and Commitment to Human Rights.

The certification unit shows examples of the application of a code of business ethics in terms of recruitment and work contracts, for example: job vacancy information on May 18, 2022 which was submitted through representatives of each village to be further conveyed to each of its citizens, the selection process for prospective employees to the announcement

of the recruitment results carried out for 7 days, which was then continued with the preparation and signing of a work agreement.

**Ext.Scope**

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

- Minutes of socialization on 7 February 2022 regarding Human Rights Policy to contractors and employees attended by 28 employees.
- Minutes of socialization of the company's code of ethics to plasma/partnership workers which was carried out on September 28, 2022. This socialization activity was attended by all plasma/partnership workers.
- Minutes of socialization of the company's code of ethics to contractors which was carried out on September 30 2022. This socialization activity was attended by 10 contractors including contractors who work closely with plasma/partnerships

**1.2.2**

The system to monitor compliance with ethical policies is carried out through monitoring complaints. The certification unit has grievance procedures such as procedure of grievances or complaint.

Based on field observations at the boiler station, found that there was information/ notification regarding reporting facilities provided by the certification unit if indications of violations were found such as fraud, corrupt practices, violations of business ethics or company regulations via email, telephone, whatsapp or sms. In addition, the certification unit also equips operational stations with CCTV cameras to monitor ethical business practices in the mill area.

Based on the interviews with mill and estate workers known that information was obtained that there was no charge to employees or deductions to employee wages. In addition, the average employee who enters the certification unit is done individually without going through the agent/ labour supplier.

**Ext.Scope**

Based on the results of interviews with contractor representatives, it is known that monitoring of ethical business practices is carried out through several methods including field inspections, reports on inspection of work results and audit activities both internally and externally.

Status: Comply
----------------

**PRINCIPLE #2 OPERATE LEGALLY AND RESPECT RIGHTS**

**2.1**

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

**2.1.1**

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

**Legality Aspect**

In term of legal aspect, the CH has shown evidence towards legal aspect, The Certificate Holder has complied with regulations in the field of plantation and land legality, such as HGU (land use title), IUP P (plantation business permit for mill) as well as mandatory reports on annual land use to BPN.

**Environmental aspect**

The company has shown evidence of compliance with regulation, such as has had:

- AMDAL document
- Land Application permit
- Hazardous waste warehouse permit
- Implement RKL-RPL



- Routine reporting to government agency regarding RKL-RPL report, POME report, hazardous waste report.

This information also in line with interview result with Environmental Agency of Belitung Timur District.

The other compliances of regulations regarding to environment aspects are EIA management and monitoring in routinely, hazardous waste storage license approved by local government.

#### Best Management Practice aspect

In best management practices, it is known that plantation and mill management have implemented several laws and regulations in Indonesia, for example, using mechanical or non-burning methods during land clearing and replanting, the oil palm planted comes from seed producers (DxP) recognized by the government Indonesia, such as Lonsum, Socfin Indonesia and PPKS. Furthermore, the plantations (every management unit) have implemented integrated pest control, biological control and only use pesticides registered on the government website Pesticide.id.

#### Worker Welfare Aspect

- a. Employee wages have been referred to the Decree of the Governor of Bangka Belitung No. 188.44/1009/DISNAKER/2021 concerning the 2022 Provincial Minimum Wage. The decree stipulated the minimum wage for plantation and the processing sector with a value of IDR 3,264,884.
- b. The certification unit has implemented a structure and scale of employee wages based on years of service and work assessment of each employee.
- c. The certification unit has included employees in the health and employment insurance programs.

#### The OHS regulatory compliance

Based on the verification document the results of the review of the Operator's List of Names, it is known that the certification unit already has workers who have received training in accordance with the type of work regulated in government regulations, which are summarized as follows:

- The certification unit has 2 turbine operators, for example the initials AD with a license validity period of up to 11 January 2023.
- The certification unit has 2 diesel motor operators has a license, for example the initials WN with a license validity period of up to January 11, 2024.
- Work accident data reports to the Department of Manpower, Cooperatives, Small and Medium Enterprises dated 18 October 2022.
- The certification unit has 2 boiler operator who already has a license is 16 operator (class 1), for example the initials HY with a license validity period of up to April 15, 2025.
- The certification unit has a Backhoe Loader operator who already have a license is 3 operators, for example the initials WN validity period of up to November 3, 2023.
- The certification unit has 3 electric technician who already have a license, for example the initials ST with a validity period of up to September 23, 2024.
- The certification unit has a grader operator who already have a license is 3 operators, for example the initials IR with a validity period of up to 3 November 2023.
- The certification unit has a TLB operator who already has a license is 3 operators, for example the initials BY with a license validity period of up to 3 November 2023.
- The certification unit has a tractor operator who already has a license is 27 operators, for example the initials SN with a license validity period of up to 3 November 2023.
- The certification unit has compactor tractor operator who already have a license is 3 operators, for example the initials AB a validity period of up to 31 December 2023.
- The certification unit has OHS expert 2 who already have a license, for example the initials SW a validity period of up to 24 March 2023.
- The certification unit has first aid officer who already have a license is 22 officers, for example the initials AH a validity period of up to 6 January 2023.
- The certification unit has Hyperkes who already have a license is 9 officers, for example the initials RN a still valid live stew.
- The certification unit has hoisting crane operator who already have a license is 5 officers, for example the initials

RN a still valid until 3 November 2023.

**Ext.Scope**

**Compliance with Social and Environmental regulations**

- The Tiong Sejahtera Cooperative (KTS) has an SPPL for a total area of 62 Ha which was issued by the East Belitung Regency Environmental Service in 2015.
- The Gunung Nyerudong Sejahtera Cooperative (KGNS) has an SPPL with a total area of 154 Ha which was issued by the East Belitung Regency Environmental Service in 2017.
- Bumdes Balok (BDB) consisting of 3 Entities already has an SPPL with a total area of 29.4 Ha which was issued by the East Belitung Regency Environmental Service in 2019.
- 2015 High Conservation Value (HCV) document in collaboration with the Faculty of Forestry, IPB. The scope of the assessment was ±2,526.27 Ha and an HCV area of 20.15 Ha was obtained.
- PT SMM's Social Impact Assessment (SIA) document conducted in 2014 in collaboration with Remark Asia.

**Compliance with Best Management Practices Regulation:**

In best management practices, it is known that plantation and mill management have implemented several laws and regulations in Indonesia, for example, using mechanical or non-burning methods during land clearing and replanting, the oil palm planted comes from seed producers (DxP) recognized by the government Indonesia, such as Lonsum, Socfin Indonesia and PPKS. Furthermore, the plantations (every management unit) have implemented integrated pest control, biological control and only use pesticides registered on the government website Pesticide.id.

**Compliance with Legal Regulations:**

There is an Extension scope for an area of 251.57 Ha with following detail :

- Gunung Nyerudong Sejahtera Cooperative (156.05 Ha) and 145 member
- Tiong Sejahtera Cooperative (66.11 Ha) and 49 member
- BUMDES Balok Tebing Tinggi (29.41 Ha). Land is owned by the Village government not owned by the person.

UoC can be shown that each land owner has legal rights to the land in the form of SHM or SKT and has STDB or SPPL, for example for some land owners as follows :

Cooperative	Initial	Land Right	STDB and SPPL
Tiong Sejahtera	SAN	SKT: 125/SKT/LI.VII/2015	503/08/STD-B/DPMPSTPP-BELTIM/KEP/IV/2019 and 236/SPPL/BLHD/XII/2015
Gunung Nyerudong Sejahtera	ZEL	SKT : 594/203/SKT.DRG/X/2017	45/SPPL/DLH/2018 and 503/191/STD-B/BPMPTSP-BELTI/KEP/VI/2019
BUMDES Balok Tebing Tinggi	Village ownership	16/SKT/BLK/VI/2017	23/SPPL/DLH/2019 and don't have STDB yet

There is also information about the legality of cooperatives such as:

- Deed of establishment of the Tiong Sejahtera Cooperative Number 59/BH/VIII.7/2016 dated 16 December 2014
- Deed of establishment of the Gunung Nyerudong Sejahtera cooperative Number 67/BH.VIII.7/2016 dated 7 April 2016 which was ratified by the State Minister for Cooperatives and Small and Medium Enterprises of the Republic of Indonesia
- Certificate of registration for the establishment of the Tebing Tinggi Balok BUMDES legal entity Number AHU-00777.AH.01.33.TAHUN2023 dated 13 February 2023 issued by the Ministry of Law and Human Rights of the Republic of Indonesia

Based on the information above, the scope of PT SMM certification will be 17,283.52 Ha, with details of a main area of 16,276.87 Ha, a smallholder scheme of 755.08 Ha, and an additional smallholder scheme in this assessment of 251.57 Ha

However, based on document review and interviews with representatives of the Agriculture and Food Office and Environmental Service of Belitung Timur district found that the BUMDES Balok Tebing Tinggi does not yet have STDB and SPPL and is still in the process of making a Cooperation Agreement for plantation management. This is because until now the district government is still in the coordination stage with related parties because the land managed by BUMDES Balok Tebing Tinggi is on behalf of the village government and does not belong to individuals, which is an obstacle in issuing STDB, SPPL, including validating SPK for plantation management. The agency representative said that the certification unit had the communication and good faith to take care of these two matters, however, until now the government was still carrying out the review process.

Based on this, the certification unit has the opportunity to:

1. Maintain active communication with the parties and document each stage in the effort to issue STDB and SPPL for BUMDES Balok Tebing Tinggi.
2. Continuing positive progress for the issuance and signing of the Cooperation Agreement Letter between PT SMM and BUMDES Balok Tebing Tinggi

(OFI)

#### Compliance with manpower regulations:

Reporting on employment aspects, for example reporting on the number of workers that have been routinely carried out by companies in WLKP (Company Compulsory Work Reports). the latest WLKP report, the workforce includes workers at KTS, KGNS, and BUMDES Tebing Tinggi. Finally reported on January 31, 2023 with number 33561.20230131.0002, and the obligation to report back on January 31, 2024. The results of interviews and field observations found that there were no outsourced workers, and the status of workers were permanent employees, including harvesters. this means that employees are still employed by permanent employees.

Based on field observations, interviews with workers, and document review found that workers' wages were in accordance with the Decree of the Governor of Bangka Belitung No. 188.44/653/DISNAKER/2022 concerning the 2023 Provincial Minimum Wage of IDR 3,498,479.00.

The unit of certification has also implemented an employee pay structure and scale based on length of service and work assessment of each employee. In addition, the Unit of Certification has also enrolled employees in health insurance and employment programs.

#### 2.1.2

The Management Unit already has a list and a copy of the applicable laws and regulations. The legal requirements documentation system contained in the Legal Requirements Evaluation Procedure (No. Doc: SOP-Leg-01, Edition 01, Rev. 03) was established on March 30, 2015. Identification is done by various methods including:

- Identification/request for information directly to the issuing regulatory agency.
- Identification through the official website of the issuing agency and/or the official website for the regulation updates.
- Through seminars/training/workshops conducted by regulatory issuing agencies and/or other private agencies.
- Obtain information from an accredited institution related to the update of rules and regulations.

Monitoring and evaluation results are listed in form of list regulations and act that was renewed in May 2022. The document is an inventory of national and local regulations related to aspects of legal, labor, health, and safety, and environmental. furthermore, a list of relevant laws has been included the latest law that is relevant for example Omnibus Law Act, ISPO regulation etc. To ensure compliance with law or regulations, the company has been evaluated the compliance of regulations with last assessment carried out in 17 May 2022, furthermore the company also conducts an internal audit. Internal audits have been conducted continuously and are documented and reviewed in the management review activities, latest audit was carried out on 24 May – 23 June 2022 that carried out by the Sustainability compliance department.

**Ext.Scope**

KGNS, BUMDES Balok Tebing Tinggi and KTS are smallholder schemes which are fully managed by PT SMM so that the reference used is the same as the main estate. list and a copy of the applicable laws and regulations. The legal requirements documentation system contained in the Legal Requirements Evaluation Procedure (No. Doc: SOP-Leg-01, Edition 01, Rev. 03) was established on March 30, 2015. Identification is done by various methods including:

- Identification/request for information directly to the issuing regulatory agency.
- Identification through the official website of the issuing agency and/or the official website for the regulation updates.
- Through seminars/training/workshops conducted by regulatory issuing agencies and/or other private agencies.
- Obtain information from an accredited institution related to the update of rules and regulations.

Monitoring and evaluation results are listed in form of list regulations and act that was renewed in May 2022. The updated regulations, for example, are Regulation of the Minister of Manpower Number 2 of 2022 concerning procedures for paying Old Age Security, effective from 4 May 2022

To ensure compliance with law or regulations, the company has been evaluated the compliance of regulations with last assessment carried out in 17 May 2022, furthermore the company also conducts an internal audit. Internal audits have been conducted continuously and are documented and reviewed in the management review activities, latest audit was carried out on 24 May – 23 June 2022 that carried out by the Sustainability compliance department.

**2.1.3**

Boundaries pole maintenance and monitoring are carried out twice a year in accordance with work instruction No. IK-SOP Leg 001-001 valid 1 Jan 2019 about demarcation, maintenance, and mitigation of boundaries Poles. The realization report for the period 2022 was verified during this assessment. Field observations were conducted to ensure that the poles are available in a place and maintained, the positions were checked using GPS.

**Ext.Scope**

Based on the field observation to blocks G03 and G04 KGNS, the KTS planting area, and block K02 BUMDES Balok Tebing Tinggi, it is known that the boundary between the scope of certification and other areas includes natural ditches, artificial ditches, red stakes and roads. The results of interviews with KGNS and KTS officials also found that the land managers are Cooperatives and Village government, so there have never been any problems related to land area boundaries.

Status: Comply

**2.2**

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

**2.2.1**

The certification unit shows a list of FFB suppliers and contractors that updated on 1 February 2022, which informs stakeholder category, name of PIC, relation, address and contact number. Currently, certification unit has 33 contractors and FFB suppliers. Based on document verification show that the number of contractor is in accordance with the list of stakeholders where the number of contractors and FFB suppliers are 33 stakeholders which also includes hazardous waste transporting and machine maintenance contractors at the mill.

**Ext.Scope**

The unit of certification displays a list of FFB suppliers and contractors updated on February 17, 2023 for all PT SMM. For KTS, KGNS, and BUMDES Tebing Tinggi, there were only 3 contractors for the transport of FFB, namely PT Rayyan Abadi Jaya, PT Izzati Anugrah Lestari, and PT Raka Vrasetfa Pratama. Based on the verification of the Contractor List document, it is known that there is information on the company name, director, type of work, work location, address, deed of incorporation, determination of PT, NIB, NPWP, and telephone number.

**2.2.2**

Based on verification to several work agreements, for example with local contractor, such as through agreement No. 1271/SMM-SPK/09-2022 dated 1 September 2022 with PT Saputri Jangkang Cemerlang and Agreement No.

1112/COM/SMM/2021 dated 20 December 2021 with Bumi Makmur Cooperative, it is known that the work agreement has covered several things, among others

- a. Implementation of sustainability certification system.
- b. Personal protective equipment (PPE).
- c. Prohibition on hazardous material disposal.
- d. Manpower protection.
- e. Law pursuance and human rights.

Based on document verification of the salary slip and proof of employment insurance for each local contractor are known that each worker has received wages in accordance with the government's regulation.

Monitoring of law or regulation pursuance by contractors is presented in document of evaluation of contractor and form of evaluation and contractor. Sighted contractors evaluation dated 5 July 2022.

### 2.2.3

Based on verification to several work agreements with local contractors, for example through agreement No. 1271/SMM-SPK/09-2022 dated 1 September 2022 with PT Saputri Jangkang Cemerlang and Agreement No. 1112/COM/SMM/2021 dated 20 December 2021 with Bumi Makmur Cooperative, it was known that clauses of disallowing child, forced and trafficked labour has been explained in the agreement.

The certification unit showed that each work agreement between the certification unit and the local contractor, there were clauses related to fulfilling legal obligations in Indonesia as one of the obligations that must be fulfilled by the contractors. Some of these obligations are related to anti-bribery, anti-corruption, anti-forced and trafficked labour. To ensure compliance with these clauses, certification unit always requests the requirements for the completeness before the contractor does work

Based on interview with both suppliers as mentioned above, it was known that socialization towards pursuance regulation on safety and manpower has delivered during contract agreement.

### Ext.Scope

Based on verification of several work agreements, for example with local contractors, including through SPKS (Temporary Work Order) number 019/SCM/SMM-R0/1/2023 dated 20 January 2023 and the 2023 Work Agreement between PT SMM and PT Rayyan Abadi Jaya is known that the work agreement includes several things, among others

- Implementation of a sustainability certification system.
- Personal protective equipment (PPE).
- Prohibition of disposal of hazardous materials.
- Labor protection.
- Law enforcement and human rights.
- Prohibition of performing forced labor, carrying out slavery, using workers from human trafficking, and minors

Based on interviews with workers at KTS, KGNS, and BUMDES Tebing Tinggi found that they had received appropriate PPE for their work, received labor insurance, health insurance, and were over 18 years of age. Workers come from villages around the cooperative/company and are not forced labour.

The company already has an evaluation format for evaluating suppliers and subcontractors in the form FRM-SOP EHS 17-020 Revision 02, and has conducted periodic evaluations every 6 months. The results of a review of the December 31, 2022 evaluation documents revealed evaluation criteria such as OHS, product and service quality, material arrival, price, timely payment, and service relationships. In this evaluation format, there are no assessment parameters regarding compliance with relevant legal obligations, as stated in the SPK owned, for example compliance with the minimum wage and BPJS membership. The results of interviews with contractors show that contractors understand and comply with labor regulations such as BPJS payments for their members. As an example, health insurance payment documents have been shown for 3 contractor workers at PT Rayyan Abadi Jaya. Based on this, companies are encouraged to complete the contractor evaluation format regarding relevant legal obligations (OFI).

	Status: Comply	
2.3		
All FFB supplies from outside of the unit of certification are from legal sources.		
2.3.1		
Records of the origins of all third-party FFB sourced are available on computerized system at Jangkang POM. The result of filed visit, document review and interview with the management, known that there are FFB's sourced from third party.		
The company has list of FFB's direct suppliers of PT SMM as such as CV Subur Mandiri, CV Tata Subur Makmur, PT Rawi Agro Mandiri, PT Sawit Alam Permai, PT Agro Inti Abadi, PT Henco Bilitone Agro Indo, PT Hasil Sawit Bina Sejahtera, PT Beltim Karya Mandiri, CV Agung Permata, CV Harapan Baru and CV Sinar Cahaya Abadi.		
1. Direct Suppliers		
<ul style="list-style-type: none"> <li>- CV Subur Mandiri</li> <li>- CV tata Subur Makmur</li> <li>- PT Rawi Agro Mandiri</li> <li>- PT Sawit Alam Permai</li> <li>- PT Agro Inti Abadi</li> <li>- PT Tri Selaras Agri</li> <li>- PT Henco Bilitone Agroindo</li> <li>- PT Hasil Sawit Bina Sejahtera</li> <li>- PT Beltim Karya Mandiri</li> <li>- CV Harapan Baru</li> <li>- CV Agung Permata</li> <li>- CV Sinar Jaya Abadi</li> </ul>		
2. Indirect Suppliers-		
<ul style="list-style-type: none"> <li>- Koperasi Sawit Sepakat Maju</li> <li>- Koperasi Anugrah</li> <li>- Koperasi Bakti</li> <li>- Koperasi Bumi Makmur</li> <li>- Koperasi Petani Maju Jaya Abdi</li> <li>- Koperasi Produsen Barokah Mitra Mandiri Batu Peny</li> </ul>		
The unit of certification can present the requirements of directly sourced FFB as follows the Information on geo-location of FFB origins and proof of the ownership status or the right/claim to the land by the grower, for example PT. Hasil Sawit Bina Sejahtera, with Legal and traceability document presented are:		
<ul style="list-style-type: none"> <li>• Deed of incorporation of No. 96 Tahun 2016 dated 18 May 2016</li> <li>• Business Trade License: 503/139/SITU/BPMPT/BELTIM/IV/2014 dated 21 December 2010</li> <li>• Places of Business License : 503/87/SITU/KCSP/BELTIM/XII/2015 dated 07 December 2021</li> <li>• Business Identification Number No 9120301310658 dated 05 March 2019</li> <li>• Location Permit based on Regent of Belitung Decree 525.26/133/KPTS//2007 on 16 March 2007</li> <li>• Location coordinate (Y -3.123494 and (X) 107.992567</li> <li>• Address: Village of Simpang Pesak, Subdistrict Simpang Pesak, Belitung Timur Regency</li> <li>• Legal Document: Land register certificate and Freehold Title</li> <li>• Total Area: 1092.51 Ha</li> </ul>		
2.3.2		
The company has list of FFB's indirect suppliers such as Koperasi Sawit Sepakat Maju; Koperasi Anugerah; Koperasi Bhakti; Koperasi Bumi Makmur; PT Tri Selaras Agri. As part of efforts to trace the supply of FFB from external parties, especially indirect suppliers, the company has conducted a traceability audit to ensure that the FFB supplied comes from legal sources. During the audit process, evidence of legal compliance from each supplier can be shown, for example:		
1. Anugerah Cooperative		
Legal and traceability document presented are:		

- o Business Trade License : 503/139/SITU/BPMPT/BELTIM/IV/2014 dated 05 August 2014
- o Places of Business License : 503/139/SITU/BPMPT/BELTIM/IV/2014 dated 30 April 2022
- o Business Identification Number No 3101246001113 dated 6 August 2019
- o Location coordinate (Y -2.968306 and (X) 107.879802
- o Address: Village of Jangkang, Subdistrict of Dendang, Belitung Timur Regency
- o Number of Supplier: 120 persons
- o Legal Document: Land register certificate and Freehold Tittle
- o Total Area: 854.10 Ha

2. Koperasi Bumi Makmur

Legal and traceability document presented are:

- o Business Trade License : 503/715/P1/SIUP-K/BPMPT-BELTIM/II/2016 dated 27 March 2018
- o Places of Business License : 503/11/SITU/KCSP/BELTIM/III/2018 dated 27 March 2018
- o Business Identification Number No 9120012152108 dated 20 November 2019
- o Location coordinate (Y -3.110121 and (X) 107.969149
- o Address: Village of Simpang Pesak, Subdistrict Simpang Pesak, Belitung Timur Regency
- o Number of Supplier: 469 persons
- o Legal Document: Land register certificate and Freehold Tittle
- o Total Area: 2,683 Ha

Ext.Scope

KGNS, KTS, and BUMDES Balok Tebing Tinggi are direct suppliers for Jangkang POM. Coordinate information is available for the land of the three entities and information regarding legal status and business permits as described in 2.1.1. Later, since the certificate is issued after the scope extension, it will become the supply base for the POM

Status: Comply

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

3.1

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

3.1.1

Based on the verification of basic info documents and interviews with management representatives in the onsite audit, it is known that the certification unit has a long-term plan for the period 2021-2026, for certification. The document contains crop estimates, CPO production, cost projections, and infrastructure development with details are as follows:

Descriptions		Projection					
		2021	2022	2023	2024	2025	2026
Replanting	Ha	-	1,056	1,010	1,056	961	958
FFB Production	MT	321,404	359,412	359,919	360,373	360,640	360,778
CPO Production	MT	68,930	77,190	76,861	77,080	77,029	77,284
PK Production	MT	15,366	17,471	17,436	17,481	17,474	17,522
OER	%	22.2	22.2	22.2	22.2	22.2	22.2
KER	%	4.9	5.0	5.0	5.0	5.0	5.0
Income before tax	Rp (Million)	23,468	20,705	20,226	21,296	21,589	22,169

Ext.Scope

The company has also shown an annual evaluation document of the company's long-term plans contained in the PT SMM Coordination Meeting document which was held on January 21, 2023 which was attended by 19 participants. This activity discussed production achievements, production costs and plant maintenance costs in 2022. In addition, records of company meetings with representatives of the partnership were also shown, as follows:

- Report on PT SMM's coordination activities with the Management of Bumdes Tebing Tinggi which was held on January 25, 2023 which was attended by 7 participants.
- Report on PT SMM's coordination activities with the Management of Gunung Nyerudong Sejahtera Cooperative which was held on January 26, 2023 which was attended by 9 participants.

- Report on the coordination activities of PT SMM with the Management of the Tiong Sejahtera Cooperative which was held on January 20, 2023 which was attended by 9 participants.

3.1.2

There is an annual replanting program that is projected for at least the next five years, some of which are listed in the PT SMM Replanting Program document for 2021 – 2031 (updated October 27, 2022), which among others explains the replanting plan in 2022, which is 1,055.59 ha. The certification unit also conducts a review every year, as shown for example related to replanting 2015 Ha planted with an area of 547.83 Ha, 2016 area of 463.73 Ha, 2017 area of 810.53 Ha, 2018 area of 2017.37 Ha, 2019 area of 887.04 Ha, 2020 area of 268.27 Ha and 2022 area of 976.95 Ha.

Ext.Scope

Based on the results of a study of the areal statement documents of KTS, KGNS, and DBD as well as interviews with company representatives and plasma/partnership representatives, it is known that the year of planting in each partnership is 2012-2014, so there is no plan for replanting oil palm.

3.1.3

The company has conducted a management review every year, such as the annual evaluation for the 2021 which carried out on 28 June 2022. The Management Review Meeting document discusses the results of the internal audit, evaluation of regulatory arrangements, internal and external communications/issues from related external parties including complaints and responses from the company, the performance of the organization's EMS, changes in both operational and system conditions and recommendations for improvement, and needs regarding matters directly related to sustainability.

Ext.Scope

The company has also shown an annual evaluation document of the company's long-term plans contained in the PT SMM Coordination Meeting document which was held on January 21, 2023 which was attended by 19 participants. This activity discussed production achievements, production costs and plant maintenance costs in 2022. In addition, records of company meetings with representatives of the partnership were also shown, as follows:

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- Report on the coordination activities of PT SMM with the Management of the Tiong Sejahtera Cooperative which was held on January 20, 2023 which was attended by 9 participants.

Besides that, the company has also shown documents of the management review meeting which was held on June 18, 2022. The management review includes an assessment for improvements and needs for changes to the integrated management system including Environment, OHS, Social, Identification of Environmental Impact Aspects, Compliance with Applicable Regulations, Management Resources, as well as other policies deemed necessary by management. RTM also discussed reporting on the implementation of the Integrated Certification Management System (RSPO, ISPO, and ISCC) to the local Top Management and Reporting on the progress of the certification system by the Management Representative. This management review activity was attended by 31 participants.

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

3.2.1

The company implements an action plan for continuous improvement, for BMP and OHS aspect such as:

BMP

- Drip fertigation application of liquid fertilizer with a drip system in sandy soil aims for efficiency in fertilization and reducing GHG emissions in the fertilizer evaporation process. The area in 6 blocks in the Sari Bunga Estate covering an area of 108.72 Ha.



- Use of biobags (biodegradable bags) in the application of organic and inorganic fertilizers, to slow fertilizer release, reduce fertilizer evaporation, maintain soil moisture due to fertilizer biobags, reduce inorganic fertilizers up to 50%.
- Electronic plantation management system.
- Use of ANJ's eTIS app for FFB traceability from outside suppliers.
- Integrated pollination system program to control parthenocarpic fruit and fruit rot disease.
- EFB composting application to estate
  - Has 100% stability, reduces the use of bio bacteria by 50%.
  - Utilization of boiler ash to increase compost nutrition.

OHS

- The "OHS Reward n Punishment" activity, which is a quarterly activity of evaluating the EHS index in each department of the certification unit, for the one who gets the lowest score will be given a Reward n Punishment (RnP).
- EHS Representative activities for the formation of an EHS representative team in each unit that monitors the implementation of OHS every 6 months.

3.2.2

Unit of certification shows RSPO metric template Version 2.1 during the time of audit. As checked properly, it was known that all data provided were match with actual situation.

Based on document verification, for The RSPO metric template known annual data 12-month periods for schedule reporting annual data social and environmental, included monitoring data of water consumption, management dan monitoring HCV.

Status: Comply
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3.3

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

3.3.1

The certificate holder has a documented procedure for the mill and estate. The estate procedure starts from the procedure of plant material, then the technique of nursery, fertilization, weed control, integrated pest management to harvesting and transporting it contained in the document of Standard Operating Procedure (SOP) of Agronomy, document number 07 / AGR / IM / IA / 08 / 13, dated August 1, 2013 signed by Chief Executive Officer and Estate Director. The certificate holder also has a procedure for the process of receiving fresh fruit bunches to dispatch the CPO and kernels. Operational procedures in general have been socialized to all employees in accordance with their respective fields of work. The entire procedure both of plantation and mill has been included of safe working instruction, other than those described in the HIRAC document. Based on the results of document review and interviews with management regarding the SOP, it is known that there are no changes/revisions from the previous assessment.

All SOP above were available in Bahasa. Master list of procedure for estate and mill were keeps by Head of Research and Development and Head of Engineering, respectively. Document control of SOP was conducted by General Manager of Administration and SOP Management Compliance. Based on SOP document review, it could be concluded that all SOP's were still relevant with current situation and covers all aspect of best management practices in the estates and mill.

This procedure is conveyed to workers in the form of training and installation of related procedures at certain stations/ locations, as well as installing processing work instructions at each Mill station and installing work instructions for hazardous waste management in chemical warehouses.

Based on field observations at the mill and estate during the audit, it is known if procedures have been implemented and workers can describe and demonstrate their work according to the procedures, referring to operational, safety and environmental best practices.

Ext.Scope

Based on the results of field visits and interviews with workers in block K02 Bumdes Tebing Tinggi, it is known whether procedures have been implemented and workers can describe and demonstrate their work according to procedures, referring to operational, safety and environmental best practices.

3.3.2

There is a mechanism to check the consistent implementation of procedures, which are stated in the Quality Assurance (QA) Manual document, document number QA-OPR-01, dated February 01, 2016. These procedures include explaining that the Quality Assurance Department as the internal controller of plantations and mills ensures the implementation of Best Practices. according to SOP and help share information/ technology for improvement. QA visits are set by VP Operations. If there is a nonconformity, the Estate/ Mill must provide feedback after 1 week of being sent to QA.

There is also a quality assurance audit and recommendations carried out by the QA manager, a quality assurance audit for mill and estate in November 2021, the audit report also discusses the results of inspections on the implementation of mill and estate operational procedures consistently every year.

RSPO internal audit activities are conducted once a year, including contractor performance. Mechanisms to ensure compliance with RSPO standards for contractor workers are overseen by operational departments such as foremen, foreman I, assistants, security personnel, managers and so on. Then, the safety officer also supervises the contractor's OHS implementation such as the use of PPE and ownership of heavy equipment licenses and others by the contractor. Then the sustainability team also oversees the ongoing work agreement. For example, the addition of insurance provisions and OHS aspects.

3.3.3

The company has shown documents of the management review meeting which was held on June 18, 2022. The management review includes an assessment for improvements and needs for changes to the integrated management system including Environment, OHS, Social, Identification of Environmental Impact Aspects, Compliance with Applicable Regulations, Management Resources, as well as other policies deemed necessary by management. RTM also discussed reporting on the implementation of the Integrated Certification Management System (RSPO, ISPO, and ISCC) to the local Top Management and Reporting on the progress of the certification system by the Management Representative. This management review activity was attended by 31 participants.

Status: Comply

3.4

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

3.4.1; 3.4.2

Based on interviews, document review and field visit it was found that no new plantings or operations were carried out by CH. PT SMM has environmental documents consisting of:

- Environmental Impact Analysis Document (AMDAL) of Oil Palm Plantation and Processing Factory in Dendang and Gantung Subdistricts, Belitung Regency. The scope of the study covers a HGU area of 15,873.24 Ha.
- Environmental Impact Analysis Document (UKL-UPL) for biogas plant in 2009.
- Environmental Management Document for Oil Palm Plantation Activities, 2015 with a study of ± 418.46 Ha of plantation land.
- Environmental Impact Analysis Document (UKL-UPL) for Koperasi Lindong Raya on 2015.
- Environmental Impact Analysis Document (SPPL) for Koperasi Mitra Lestari, Koperasi Mitra Anugrah, Koperasi Sambar Jaya Makmur and Koperasi Berhimpun Sejahtera in 2015.

Beside AMDAL, UKL-UPL and SPPL, CH also conduct HCV assessment in 2009 for all area of certification scope and CH not have any land clearing after 18 November 2018 so the HCS is not applicable. While for GHG calculation, CH has calculated every year the GHG emission from their operation.

PT SMM have conducted a Social Impact Assessment (SIA) on 11 to 14 October 2013 in collaboration with a consultant. To update the social issue, CH conduct SIA review every 2 years and stakeholder meeting every year. CH can provide

SIA review in 2019 and 2021 which has been involve by external stakeholder. The last SIA review was conducted in 3 to 5 March 2021 with participant from Simpang Tiga Village, Balok Village, Dendang Village, Jangkang Village, and Nyuruk Village. While for internal issue, CH collect the information from union meeting which held every month, such as meeting on October 2020 with participant from representative of staff, workers and union.

Based on interview with government agency, communities, contractor, smallholders and workers, mostly social issue has been mitigated by CH.

#### **Ext.Scope**

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

#### **Environmental Impact Assessment (EIA)**

- The **Tiong Sejahtera Cooperative (KTS)** has 48 farmers and 1 village treasury land with a total area of 66.11 hectares which is divided into 57 blocks owned by farmers and 1 block owned by the village. Each block has an SPPL with a total area of 62 Ha which was issued by the East Belitung Regency Environmental Service in 2015. Meanwhile, Village Treasury Land with an area of 4.11 Ha cannot obtain an SPPL because the status of the land is not privately owned but jointly owned by the community. from Lilang Village.
- The **Gunong Nyerundong Sejahtera Cooperative (KGNS)** has 145 members with farmers with a total area of 154.07 hectares which is divided into 149 blocks of land owned by farmers. Each block has an SPPL with a total area of 154 Ha which was issued by the East Belitung Regency Environmental Service in 2017.
- **Bumdes Balok (BDB)** has 3 Entities with a total area of 29.41 Ha which is divided into 3 Village-owned land blocks. Each block has an SPPL with a total area of 29.4 Ha which was issued by the East Belitung Regency Environmental Service in 2019.

All of the above documents have each aspect and parameter that must be monitored, but because the SPPL (Statement of Competence for Environmental Management and Monitoring) is an environmental document with the simplest scope, management is carried out more simply and there is no need for mandatory reporting. Some forms of management that must be carried out include:

- Land clearing without burning so as to minimize the impact on the diversity of flora and fauna
- Maintaining the preservation of historic sites
- The sale of FFB will improve the farmers' standard of living
- Fertilizer application and management in accordance with applicable regulations
- Do not apply fertilization and pesticides in areas adjacent to water sources
- Carry out patrols during the dry season to avoid fires
- Planting cover crops after land clearing to prevent land erosion
- Create a buffer zone area in the plantation location which is adjacent to a water source to be used as a conservation area
- Plan the management of environmental impacts in order to minimize the impact of decreasing surface water quality
- Using PPE during activities such as boots, plastic gloves, etc
- Maintain good relations and cooperation with local communities and maintain security and public order in an effort to minimize the impact on perceptions
- Maintaining the buffer zone of the river for the sustainability of the flora and fauna ecosystem

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

All certification units have been included in the scope of PT SMM's Social Impact Assessment (SIA) which was conducted on October 11-14 2013 with the 2014 final document in collaboration with Remark Asia. The SIA document shows that the villages which are the location of the certification unit (Balok Village, Lilangan Village and Renggiang Village) have entered the scope of the assessment. The document also explains that the scope of the assessment is the entire PT SMM partner plantation, where all certification units are partners of PT SMM. Aspects of the assessment carried out include Health, Education, Economy, Social, Culture, Religion, and Infrastructure.

Community representatives who became resource persons in this assessment were the village heads, village secretaries, village apparatus, hamlet heads, traditional leaders, village midwives, and farmers/fishermen/laborers. The types of data collected were primary and secondary data. Primary data collection for monitoring social impact management was obtained from informants as the affected party as well as local village officials who represented the community and as verifiers. The secondary data or indirect data collection is in the form of evidence, notes, archives or published historical reports as well as references in the form of AMDAL, HCV documents, local government literature, notes on CSR implementation and others. The aspects of the assessment are Economic Life (Natural Potential, Livelihoods, Local Economy, Food Security, Vulnerable Groups, Company Contribution, Plasma Plantation Development) and Social and Cultural aspects. Meanwhile, other secondary data is obtained indirectly through intermediary media in the form of published evidence, records, archives, or historical reports. Retrieval of secondary data through literature studies. Secondary data is obtained from related units in order to document impact management as well as additional data from relevant affected parties. The reading material used is documentation of the implementation of impact management, internal company data, correspondence between the company and affected parties, and so on. Secondary data is also obtained from parties that are not directly related, such as sub-district data or news or pages from the media.

Negative and positive issues were summarized during the assessment including management recommendations. The data collection process was carried out by involving the community and workers as a source of information by using the interview method, focus group discussions (Focus Group Discussion) and distributing questionnaires in the village. In the report, there is also a matrix on the Social Management Plan and Social Monitoring Plan and Attachments to the Attendance List of participants in the data collection process in the surrounding villages and within the scope of PT AMP Employees. Some of the social impact management plans listed in the document include mitigating negative impacts, advancing benefits, mitigating and managing issues and risks, and encouraging corporate social contributions.

#### High Conservation Value (HCV)

The current scope of the certification unit is 251.57 Ha with a total HCV area of 1.98 Ha. All certification units conducted a High Conservation Value (HCV) assessment in 2015 in collaboration with the Faculty of Forestry, IPB, with a wider scope of assessment because it was carried out in conjunction with other certification units, namely an area of  $\pm 2,526.27$  Ha and a total HCV area of 20.15 Ha. If an overlay is performed between the study map and the locations of the three business units mentioned above, it shows that the entire scope of the business units has been included in the HCV assessment scope with the HCV locations included in the current certification scope, namely the Gunong Nyerundong Sejahtera Cooperative (KGNS).

Because the environmental document reference uses the SPPL, there is no need for mandatory reporting to the relevant department for the management carried out. In the SPPL matrix there is also no obligation to test or types of management that require documentation. However, when referring to the results of field observations and compared with the obligations in the SPPL, it shows that the unit of certification has carried out environmental management in accordance with the obligations.

For social management, the entire social management plan is carried out by PT SMM where all certification units have entered into its management scope. The management of the Cooperative as the manager of the certification unit also cooperates with PT SMM in environmental management, for example by ensuring that there are no land clearing activities by burning, hunting, management of river border areas and so on. As for the social aspect, the unit of certification which incidentally is the local village community can guarantee that the social conditions for each area they manage are quite good and there are no potential or negative issues. The results of interviews with the management of the cooperative stated that the existence of the cooperative was greatly helped because in addition to the area of community land that was managed into oil palm plantations with very good care, financial management was also transparent, the forms of cooperation were also carried out for a long period of time so that people did not hesitate in investing. In addition, this form of cooperation can also improve the village economy, for example for the Tiong Sejahtera Cooperative (KTS) which includes Village Treasury land into the scope of certification so that it can support the growth of village facilities through the proceeds from the sale of FFB which are fully utilized for Village development purposes.

#### 3.4.3

The certification unit has carried out environmental and social management as described in the *RKL-RPL* implementation report. Based on the report for the third quarter of 2022, it is known that the managed aspects consist of:

- Economy and culture
- People's perceptions and attitudes
- Opening of job opportunities
- POME
- Surface water quality
- Air quality and noise
- Soil erosion
- Solid waste
- Land fires
- OHS disturbance
- Traffic smoothness

Based on routine monitoring of environmental aspect such as quarter 3 of 2022, there is no one parameter that excess the environmental threshold. Management is also reported to Environmental Agency of Belitung Timur Regency every 3 months, for examples in 2022 are;

- *RKL-RPL* report documents for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarter of 2022 to the East Belitung Environment Agency accompanied by the agency's stamp and recipient's signature.
- Electronic reporting through SIMPEL for the 1<sup>st</sup> quarter *RKL-RPL* document dated 29 April 2022
- Electronic reporting through SIMPEL for the 2<sup>nd</sup> quarter *RKL-RPL* document dated 11 July 2022
- Electronic reporting through SIMPEL for the 3<sup>rd</sup> quarter *RKL-RPL* document dated 22 October 2022

Based on interview with Environmental Agency of Belitung Timur, known that unit of certification has been reported the environmental document periodically.

The SIA review has been carried out in 2019 and 2021, based on the 2 documents it is known that all "current conditions" in the SIA review matrix inform the same thing, but what has changed is the status. Some of the "current conditions" that have not changed status (status in 2019 and 2021 are still the same) are:

- Motorcycle parking area is too narrow
- Unsatisfactory company clinical services
- Roof of employee housing that already needs to be replaced
- Addition of school buses for LJE and SBE which have been combined into one bus unit
- Means of transportation for children in housing who attend high school level because the location of the school is quite far
- There is no bus stop at the Jangkang Estate housing

#### Ext.Scope

The unit of certification has made efforts to implement the management and monitoring of social and environmental impacts as described in indicator 3.4.2. Some of the programs that have been carried out include:

#### Environmental Impact Assessment (EIA)

- Socialization to carry out land clearing without burning which was carried out on January 19, 2023
- Maintaining the preservation of historic sites
- Do not apply fertilization and pesticides in areas adjacent to water sources
- Carry out patrols during the dry season to avoid fires
- Planting cover crops after land clearing to prevent land erosion
- Using PPE during activities such as boots, plastic gloves, etc
- Maintain good relations and cooperation with local communities and maintain security and public order in an effort to minimize the impact on perceptions
- Safeguard the buffer zone riparian area by installing HCV area protection signboards.

#### Social Impact Assessment (SIA)

For social management, the entire social management plan is carried out by PT SMM where all certification units have entered into its management scope. Based on the results of the study of the SIA document for PT SMM, the unit of certification has a Social Impact Assessment Management and Monitoring Plan (SIA) which is prepared every 2 years, by collecting data related to community perceptions which is carried out periodically every year. Based on the results of the study of the SIA Report 2020, information was obtained that the last public perception data collection already carried out as shown in the minutes of the event held on December, 2022 for the scope of PT SMM and All Cooperative Partners. The results of interviews with management regarding the collection of community perception data in 2022, there are no negative issues or significant impacts occurring within the scope of the company's operational area. The issue identified by the company is the multiple land claims that have been going on for the last few years. Management in the field is by giving the area to remain occupied by providing clear area boundaries so as to avoid conflicts that may arise. the results of map analysis and field observations show that all occupational areas have been identified by the company, and are no longer being managed by the company

Status: Comply

3.5

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

3.5.1

The certification unit has a CLA for the period 2020-2022 which has been ratified based on the Decree of the Director General of Industrial Relations and Labor Social Security dated December 14, 2020. The CLA regulates the terms and conditions of employee employment, including the regulation of recruitment requirements, working hours, wages, social security, leave, termination of employment, work rules and discipline, rules for the process dispute resolution, and other provisions. The CLA has also been socialized to all estate and mill employees on January 10, 2022.

In addition, the certification unit also has an Employee Recruitment Procedure which explains the procedures for the recruitment process including job requests based on workforce planning, job vacancies notification, pre-selection and selection process, job interview and fitness, health checks, job offers, hiring decisions and employment agreements

Regarding employee performance appraisal, it is regulated in certification unit policy which is the certification unit's right to improve the quality and productivity of existing human resources by giving awards to employees who excel. Employee promotions are determined according to the results of the work performance assessment and in the interest of the certification unit's strategy and employee career development with the following criteria: having dedication and loyalty in their field of duty, working based on the system and method as well as the stipulated conditions, having the ability to always try to improve abilities and performance and always work with a healthy and dynamic code of ethics.

Ext.Scope

CLA of KTS, KGNS, and BUMDES Tebing Tinggi participated in PKB PT SMM. The unit of certification has a PKB for the 2023-2024 period which was signed with the Director of PT SMM and representatives of the SPSI Workers' Union in February 2023. An online submission has been shown to the Ministry of Manpower in the PKB-PP application.

3.5.2

The certification unit shows the implementation documents for the 2022 employment procedure as follows:

- a. Job vacancies for Health Analyst, Mill Maintenance, Driver, and Administration positions submitted publicly through the village office around on 18 May 2022.
- b. Employee job application letter with initials RN dated August 29, 2022. The application letter is accompanied by several supporting documents, including: identity card and family card, personal data of prospective employees, results of medical check-ups, test results and interviews.
- c. Work agreement Letter No. 068/SMM/HRO-PKWTT/22-2022 dated September 2, 2022 between PT SMM and employee initials RN. The work agreement explains the rights and obligations of employees.
- d. Employee transfer letter with ID SM/SM25/0205/124 from Air Ruak Estate which was transferred from the Harvest Foreman to the Nursing Foreman of Division 16 ARE as of October 1, 2022.
- e. Employee Performance Assessment for the 2022 period for employees with the initials FA. Based on the results of the assessment, the employee was promoted to the position of Head of Delivery Division 16 as of October 1, 2022.
- f. Employee pension document with ID SM/SM22/0999/15 which consists of the identity of the retired employee, approval for the application for compensation which was approved on August 2, 2022, a collective agreement

regarding employee severance pay and proof of employee severance pay on September 9, 2022.

Based on the above, it is known that the certification unit has good documentation regarding the implementation of labour procedures

**Ext.Scope**

The employment aspect PIC for KTS, KGNS, and BUMDES Tebing Tinggi is managed by PT SMM. An example of the application of the recruitment process for harvest workers at KGNS with the initials IA which began work on December 10, 2022 has been shown. Workers have carried out physical examinations in the initial health check before work. The relevant personal documentation has also been shown in the form of a copy of a family card, a copy of a KTP, and a photo. Also shown is the Work Agreement dated December 9, 2022 which contains a 3-month probationary period, calculation of wages and benefits, participation in labor and health insurance, overtime, and leave.

Status: Comply

**3.6**

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

**3.6.1**

All operational activities risk has been assessed and put in the document of Hazard Identification, Risk Assessment and Risk Control (*IBPPR, Identifikasi Bahaya, Penilaian dan Pengendalian Risiko*) latest update on 18 April 2022. The document describes the description of every operational activity, potential hazards, risk assessment and risk control/risk mitigation. The document describes the type of work, potential hazards/ risks that will arise, effects and risk categories, as well as risk control. This assessment covers all hazards and risks in mill and estate, such as herbicide application, fertilization, harvesting, slashing, landscaping, FFB loading, transportation, desilting, thinning & care, pest and disease control, warehouses and so on. As for the Mill such as FFB loading, boiler station, engine room, sterilizer station, WWTP, WTP and etc

The certification unit demonstrates its mitigation plans and procedures through its OHS Policy document which explains that the certification unit is committed to providing a healthy, safe and conducive work environment for employees, contractors and visitors in carrying out activities, projects and programs across estate, mill and offices.

In addition, the certification unit has also established procedures to mitigate OHS problems in all operations, including SOPs for First Aid in Accidents and SOPs for Personal Protective Equipment. In addition, the certification unit has also prepared OHS Committee programs, such as regular OHS Committee meetings, HIRAC evaluations, employee periodical MCU, FR/ SR work accident data, OHS Committee quarterly reporting and others.

Based on the results of field visits in the housing area of estate, the company has provided housing facilities for employees in good and well-maintained conditions and there are warning boards related to Occupational Health and Safety in several strategic locations. Regarding the Work Safety aspect, the auditor team considered that the company had the opportunity to improve security by providing a special storage area for sharp work tools (*dodos / egrek*) separately, this is because currently the work tools are stored next to the housing even though they are in safe conditions (*egrek and dodos*) have been given a safety sheath). OFI.

**Ext.Scope**

Based on the results of field visits and interviews with fertilization workers in blocks 01 and 02 KTS, it is known that workers have an understanding regarding hazard identification and risk control when carrying out work. It was also explained that workers had received socialization related to OSH from the company including Hazard Identification, Risk Assessment and Control. The company has shown the socialization documents provided to workers in partnership cooperatives, for example:

- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization on prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers at the Tiong Sejahtera partnership which was held on January 25 2023. This activity was attended by 9 participants.
- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization of prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers at the Gunung Nyerundong Sejahtera partnership which was held on January 24, 2023. This activity was attended by 16 participants .

- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization of prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers in the Bumdes Balok Sejahtera partnership which was held on January 23, 2023. This activity was attended by 5 participants.

### 3.6.2

Monitoring the effectiveness of the OHS plan in dealing with health & safety risks is carried out on a regular basis through monthly OHS Committee meetings that discuss OHS issues in the certification unit. The following are some recordings of activities monitoring the effectiveness of the OHS plan through monthly OHS Committee meetings:

1. Minutes of the Safety Meeting for the period May 2022, on May 23, 2022, with discussions covering the review of the OHS program, availability of employee PPE, training program in 2022, results of employee PPE inspection and inspection results of fire extinguishers, hydrants and first aid kits. The meeting was attended by 11 participants.
2. Minutes of the Safety Meeting for the period June 2022, on June 13, 2022, with discussions including the review of the OHS program, availability of employee PPE, training program in 2022, results of employee PPE inspection and inspection results of fire extinguishers, hydrants and first aid kits. The meeting was attended by 13 participants.

Based on interview with the Manpower Agency of Belitung Timur Regency, it is known that occupational accidents have been reported regularly in the OHS Guiding Committee quarterly report. There are no cases of fatality.

Based on interviews with management revealed that OHS inspections for mill machines are always carried out routinely based on each tool, further explained that the last OHS inspection was carried out in July 2021 for boiler machines. The certification unit always provides training related to mill machinery and equipment to each operator at all stations to maintain the competence of each operator or worker.

The company shows an internal memo document from the General Manager to all employees of PT SMM No.13/GM/SMM-EST/IM/I-2019 dated January 11, 2019 regarding the provisions on fuel storage areas in residential areas that explain the prohibition on storing gasoline and diesel. Based on the results of interviews with residents of housing complex, information was obtained that they understood the prohibition on storing hazardous material including fuel oil in the housing complex.

### Ext.Scope

Monitoring the effectiveness of the OHS plan in dealing with health & safety risks is carried out regularly through monthly OHS Committee meetings that discuss OHS issues in the certification unit. The following are some records of monitoring the effectiveness of the OHS plan through the monthly OHS Committee meetings:

1. Minutes of the OHS Committee Meeting which was held on Thursday, October 27, 2022 (participated by 30 Participants) with related discussions:
  - Several OHS violations were still found in the field
  - Hotspots have started to appear around PT SMM's HGU due to the start of the dry season
  - There are still many jangkos that fall when they are taken to the composting area
2. Minutes of the OHS Committee Meeting which was held on Thursday, November 21, 2022 (participated by 25 Participants) with related discussions:
  - Installation of signs in handrail storage and bunker mills
  - Installation of OHS signs at Tanjung Resing port
  - LOTO for maintenance officers
3. Minutes of the OHS Committee Meeting which was held on Friday, December 23, 2022 (participated by 19 participants) with related discussions:
  - Outreach to housewives at the Balok Estate using fire extinguishers using fire extinguishers
  - Preparation of firefighting certification fund training by Manggala Agni which will be attended by each estate and KTPA (Fire Care Farmers Group)
  - Outreach and environment to contractor employees regarding OHS.

Based on interviews with the East Belitung Regency Manpower Office, it is known that work accidents have been reported regularly in the OHS Advisory Committee Quarterly reports and there have been no cases of fatal work accidents.



Status: Comply

3.7

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

3.7.1

The certification unit has established the annual training program for each unit including scheme smallholders, out growers and contractors. The training program covers all operational and RSPO aspects, such as agronomic best practices, chemical/ pesticide handling, OSH, and the environment. Further explained that there is no gender discrimination in the program but based on the operational and previous evaluation.

The certification unit in this case shows the 2022 training program document which is based on an analysis of employee training needs. The training is carried out interactively by the trainer or supervisor through presentations and hands-on practice to increase participants' understanding. The training program covers the following aspects:

- a. Training on the Use of the First Aid Kit.
- b. Harvest Training.
- c. FFB Grading/Quality Training.
- d. Spray Training and Spray Equipment Calibration.
- e. Fertilization Training.
- f. PPE Use and Care Training
- g. OHS training.
- h. HCV socialization.
- i. Corporate Policy Socialization.
- j. Harvest Administration Training.
- k. Socialization of Handling Sexual Harassment.
- l. Socialization of Separation of Organic and Inorganic Waste.
- m. Hazardous Waste Handling Training.
- n. IPM training.
- o. LSU training.
- p. WTP training.

Based on field observations and interviews with estate, mill and contractor employees show that the certification unit always provides regular training to employees to maintain and improve employee competencies in their respective jobs.

Ext.Scope

The Training Program at KPTS, KGNS, and Tebing Tinggi BUMDES followed the program at PT SMM. PT SMM has established an annual training program for each unit including plasma farmers and contractors. The training program covers all operational and RSPO aspects, such as best practices in agronomy, chemical/pesticide handling, OSH and environment. It was further explained that there was no gender discrimination in the program but based on operational and previous evaluations.

The unit of certification in this case indicates the 2022 training program document which is based on an analysis of employee training needs. Training is carried out interactively by trainers or supervisors through presentations and hands-on practice to increase participants' understanding. The training program covers the following aspects, including:

- Training on the use of First Aid Kits.
- Harvest Training.
- Spray Training and Spray Equipment Calibration.
- Fertilization Training.
- Training on PPE Use and Care
- OSH training.
- Dissemination of Company Policy.
- Training on Hazardous Waste Handling.
- HDI training.
- LSU training.

Based on field observations and interviews with KPTS, KGNS, and Tebing Tinggi BUMDES employees, it is shown that the certification unit always provides regular training to employees to maintain and improve employee competency in their respective jobs.

3.7.2

The certification unit shows training documents to employees and the public around the 2021 period as follows:

- a. Harvest administration training on 21 June 2022 at the Sari Bunga Estate Office. The certification unit can show documentation and attendance list for the event.
- b. Land and forest fire prevention simulation on February 2, 2022 took place at ALC. The certification unit can show documentation and attendance list for the event.
- c. Hazardous waste handling and management training and simulation of hazardous waste spill handling on June 4, 2022 at Schedule Waste Storage. The certification unit can show documentation and attendance list for the event.
- d. Socialization of HIRAC and IADL on January 24, 2022 in the ALC meeting room. The certification unit can show documentation and attendance list for the event.
- e. Socialization of the maturity level of FFB on March 21, 2021 in the area of the Jangkang POM loading ramp. The certification unit can show documentation and attendance list for the event.

Based interviews with management revealed that the certification unit compiled a training program based on work units. Based on field observations and interviews with estate and mill employees show that the certification unit always provides regular training to employees to maintain and improve employee competencies in their respective jobs.

Ext.Scope

The certification unit has maintained records of the training carried out, including the following:

- Dissemination of employment policies, human rights policies, anti-discrimination and freedom of association to KTS, KGNS and BUMDES employees on September 22 2022 which was attended by 30 workers.
- Dissemination of the code of ethics to KTS, KGNS, and BUMDES employees on September 28, 2022.
- Socialization of pesticide handling to KTS, KGNS, and BUMDES employees on September 20, 2022.

Based on field observations and interviews with workers in fertilizer and manual upkeep activities at KTS, it is known that workers understand freedom of association, anti-discrimination, and a code of ethics. It is also known that workers have used PPE in accordance with the work being carried out and understand the management of chemical and poison materials and chemical and poison materials temporary inventory, resulting from work, as well as handling work tools exposed to chemical and poison materials.

3.7.3

The specific training of SCCS, especially to the new standard of P&C SCC requirements for mill updated 1 February 2020 has been conducted on 21 December 2021, with the participants being administration officers, weighbridge, laboratory officers, and security. The training topics are awareness of RSPO SCC, traceability, and mass balance. Observation and interview to the PIC involved in the supply chain, they understood the system and implementation of supply chain standards.

Status: Comply
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3.8

Supply Chain Requirements for Mills

3.8.1; 3.8.2

SCSS module used in Jangkang Mill is Mass Balance (MB) because the mill receives FFB certified by RSPO and non-certified RSPO. Source or supplier of FFB received by the mill can be classified into three categories: own estates, smallholder, and independent suppliers / third parties. The Mill has been recorded well the separation of FFB and products (CPO and PK) from certified and uncertified sources. The Mill only claims certified products from certified sources.

3.8.3

Estimated certified product recorded in the last Assessment Report and Certificate and updated in the RSPO Palm Trace. Actual certified produced has been verified during this assessment, and not exceed the estimate. The estimates of certified

production for the next license period also have been set, in a reasonable amount taking into account the last year's production. The data are shown in the following table:

Product	Last Year Production (MT)	Actual Production October 2021 – September 2022 (MT)	Estimate Production next 12 months (MT)
FFB Estate	239,000	219,539.66	230,000.00
FFB Scheme or associate Smallholders	11,000		
CSPO	55,000	48,746.35	50,600
CSPK	12,500	10,521.67	11,500

3.8.4

PT Sahabat Mewah dan Makmur, subsidiary of Austindo Nusantara Jaya has registered in RSPO membership 1-0032-07-000-00 (registered since 27 February 2007).

PT Sahabat Mewah dan Makmur has been registered in IT platform palm trace RSPO <https://palmtrace.rspo.org/web/rspo/member-directory> which information as follows:

- Member Name: PT Sahabat Mewah dan Makmur
- Account UID: CB128681
- Core Product: Palm Oil
- Member ID: RSPO\_PO1000000531
- Type of Business: Oil Mill
- Supply chain model: Mass Balance

All transaction has been announced to RSPO IT Platform and confirmed shipped. The Mill has conducted SCCS mechanism such as announcement in Palm Trace of RSPO CSPO and CSPK sold as certified and confirming the shipping announcement, as well as remove of certified stock for products sold as other scheme or as non-certified/conventional as described in indicator 3.8.8 and 3.8.16

3.8.5

The Mill has the documents of supply chain procedures for Mass Balance models No. document FRM-SOP SCD 01-04 dated 1 July 2020, describes the responsible PIC, references, the reception process of FFB (separating record keeping of certified and non-certified), processing of FFB and CPO/PK production (recorded in the 3 monthly basis with appropriate ratio calculation), shipment of CPO certified and PK certified (should be of positive stock, specify RSPO certificate number on the sales documents) and palm trace data entry. The procedures established and covering all elements of the supply chain model requirements, records, and reports of compliance with supply chain requirements including training records. The procedure is according to RSPO P&C 2018.

The procedures also identified role of implementation responsibility persons that trained. Responsible person in the whole process of supply chain: Security (registrar of all FFB expeditions and dispatch of CSPO/CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO/CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO/CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports).

Based on observation and interview to the PIC in specific activities (i.e. security/receiving FFB, weighbridge, and mass balance data PIC), they have been provided SCCS training and able to demonstrate awareness of the procedures related SCCS implementation.

3.8.6

The internal audit procedure is imposed in SOP Internal Audit of System management (No SOP-SCD-03) dated 01 October 2018. On the procedure described if internal audit minimum carries out at least one time a year. Due to this

current pandemic situation, there is an internal memorandum from COO ANJ Group No 001/COO/SC/IM/IV/2020 dated 09 April 2020 that mentioned if internal audit System management can be conducted remotely

The last internal audit was carried out on 24 May – 03 June 2022 together with RSPO P&C and all SCCS indicator has been assessed. . Based on the internal audit there is no non-conformity-related requirement of RSPO. Furthermore, the unit of certification can present the result of the management review meeting on 18 June 2022 with the one issue that was discussed are the result of the internal audit.

3.8.7

The company has to verify and monitoring related FFB source & tonnage for Certified FFB and Non-Certified FFB such as:

Month	FFB (MT)		
	RSPO Certified	Non-Certified	Total
Oct. 21	19,062.87	5,675.78	24,738.65
Nov-22	20,527.42	5,621.86	26,149.28
Des 21	16,709.39	5,407.75	22,117.14
Jan-22	15,720.80	6,343.95	22,064.75
Feb-22	13,406.18	7,158.23	20,564.41
Mar-22	16,186.54	10,917.63	27,104.17
Apr-22	16,919.72	12,021.57	28,941.29
May-22	16,597.32	7,527.14	24,124.46
Jun-22	17,389.43	12,387.06	29,776.49
Jul-22	19,821.36	12,040.72	31,862.08
Aug-22	23,500.06	9,826.46	33,326.52
Sep-22	23,698.56	9,240.37	32,938.93
Total	219,539.66	104,168.51	323,708.17

Estimated certified product recorded in the certificate, actual certified produced has been verified during this assessment (ASA-2.2), that describes in the following table:

Product	Last Year Production (MT)	Actual Production October 2021 – September 2022 (MT)	Estimate Production next 12 months (MT)
FFB Estate	239,000	219,539.66	230,000.00
FFB Scheme or associate Smallholders	11,000		
CSPO	55,000	48,746.35	50,600
CSPK	12,500	10,521.67	11,500

The mechanism for handling non-conforming oil palm products and/or documents described in the SOP handling of nonconformities, corrective action, and preventive action (SOP-SDD-10 rev 01) aims to determine the analysis system for the occurrence of management system inconsistencies that apply within the company and determine preventive actions and ensure that the actions taken are effective. During audit carry out it was known there is no non- non-conformity in the handling of the product either physically or documents regarding SCCS.

3.8.8

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on document

verification and interview with management representative obtained information in last 12 months before audit (October 2021 – September 2022) it was known the product only sold under certified product as described in table below :

	Dispatch period (MT)	
	October 2021 – September 2022	Total
CSPO sold under RSPO Scheme	41,239.18	41,239.18
CSPO sold under other scheme	2,000.00	2,000.00
CSPO sold as conventional	-	-
CSPK sold under RSPO Scheme	6,050.00	6,050.00
CSPK sold under other scheme	-	-
CSPK sold as conventional	-	-

Based on documents verifications the unit of certification can present if the Shipping announcement is announced no longer than three months, for example

- **Shipping Announcement Transaction and Transaction Documents**

- a. **CPO**

<b>Seller</b> Member Name : PT Sahabat Mewah dan Makmur Mill Member ID : RSPO_PO1000000531 Country : Indonesia	<b>Buyer</b> Member Name : PT Synergi Oil Nusantara Member ID : RSPO_PO1000001593 Country : Indonesia
<b>Transaction</b> Seller contract number : 034/SMM/CPO/VIII/22 Seller reference number : 1088000420P	<b>Confirmation</b> Confirmation date : 12/09/2022
<b>Product Details</b> Product name : CSPO Supply chain model : MB Volume : 3000 MT	<b>Traceability</b> Transaction ID : TR-eaf4d79b-d790 Transaction status : Confirmed Shipping/BL date : 28/08/2022

The shipping announcement based on CSPO selling contract between CSPO PT Sahabat Mewah dan Makmur and PT Synergi Oil Nusantara, with selling contract 034/SMM/CPO/VIII/22 volume 1200 Ton dated 05 April 2022. Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:

- The name and address of the buyer; PT Synergi Oil Nusantara, Jl. Raya Pelabuhan kabil KM 12.5 Kabil-Nongsa Batam- 29400
- The name and address of the seller; PT Sahabat Mewah dan Makmur
- Shipping instruction No 030/SMM/S7C/08-2022 dated 22 August 2022 with volume 3000 MT with vessel name BG. Transmarine 2307 /TB. Panindo
- The loading or shipment / delivery date; 23 – 27 August 2022 based minutes of delivery 011/ANJA-BEL/PKS/VII/2022
- The date on which the documents were issued; 28 August 2022
- RSPO certificate number; MUTU-RSPO/090
- A description of the product, including the applicable supply chain model : MB

- b. **PK**

<b>Seller</b> Member Name : PT Sahabat Mewah dan Makmur Mil Member ID : RSPO_PO1000000531 Country : Indonesia	<b>Buyer</b> Member Name : PT Sumber Indah Perkasa Member ID : RSPO_PO1000006657 Country : Indonesia
<b>Transaction</b>	<b>Confirmation</b> Confirmation date : 08/09/2022

Seller contract number : 030/SMM/PK/VII/202 Seller reference number : 1088000416P	
Product Details Product name : CSPK Supply chain model : MB Volume : 500.45 MT	Traceability Transaction ID : TR-eaf4d79b-d790 Transaction status : Confirmed Shipping/BL date : 28/08/2022

The shipping announcement based on CSPO selling contract between CSPO PT Sahabat Mewah dan Makmur and PT Sumber Indah Perkasa, with selling contract 030/SMM/PK/VII/202 volume 500 Ton dated. Furthermore, the unit of certification can present information related minimum requirement or RSPO certified products, for example:

- The name and address of the buyer; PT Sumber Indah Perkasa, Menteng Jakarta
- The name and address of the seller; PT Sahabat Mewah dan Makmur
- The loading or shipment / delivery date; 030/SMM/PK/VII/20215 – 16 August 2022 based on Delivery order 022ANJA-BEL/PKS/VII/2022
- The date on which the documents were issued; 08 September 2022
- RSPO certificate number; MUTU-RSPO/090

Furthermore, the unit of certification can present document related claim product such as delivery order and weighbridge slip that informed CSPO products that sold.

3.8.9; 3.8.10; 3.8.11

Based on document verifications it was known if PK and CPO Transportation was outsourced to independent third parties. There were two contractors namely:

- PT Sarana Multiguna (PK transporter) address in street of Ali Uyup No. 26, Sub District of Tanjung Pandan, District of Belitung
- PT Insani Mitra Utama Belitung (CPO transporter) address in Village of Pilang, Sub District of Tanjung Pandan, District of Belitung

Clause about granting access to company audit activities both internal and external and commitment clause to follow RSPO Supply Chain Standard has been imposed in the work agreements that approved by both parties, for example:

- PT Sarana Multiguna (PK transporter), agreement No. 013/CPO/SC/SMM/2021 dated 26 December 2021
- PT Insani Mitra Utama Belitung (CPO transporter), agreement No. 012/CPO/SC/SMM/2021 dated 26 December 2021

Based on review list of transporters verified on Previous Assessments with this ASA-2.2, there is no new contractor added. There is one contractor which physical handling of RSPO certified oil palm products. It will be verified on next surveillance, if any new contractor

3.8.12

Jangkang POM has maintain, complete and up to date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in “Mass Balance Report” for example periods October 2021 – September 2022 Within this record, the certificate holders maintain the FFB’s sources based on monthly bases.

Furthermore, Mill has record and balance of all RSPO CSPO and CSPK, non-certified products produced, as well as its dispatch on a monthly and three-monthly basis, presented in the Table belows:

CPO production and Dispatch for Jangkang POM

Period	CPO production (MT)		Total	Cert CPO Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
opening stock	2,390.67	(1,915)	476.05			

Oct 21	4,344.89	1,112.66	5,457.56	3,339.18		
Nov-22	4,548.48	1,100.29	5,648.77	3,000.00		
Des 21	3,536.87	1,057.48	4,594.35	3,000.00		
Jan-22	3,419.00	1,244.34	4,663.34	2,900.00		2,000.00
Feb-22	2,933.23	1,404.94	4,338.17	6,000.00		
Mar-22	3,673.51	2,148.64	5,822.15	-		
Apr-22	3,797.34	2,367.05	6,164.39	2,500.00		
May-22	3,631.16	1,483.26	5,114.42	5,341.75		
Jun-22	3,825.06	2,431.89	6,256.95	3,658.25		
Jul-22	4,405.25	2,356.58	6,761.84	2,500.00		
Aug-22	5,333.62	1,926.93	7,260.55	3,000.00		
Sep-22	5,297.94	1,810.19	7,108.13	6,000.00		
Total	48,746.35	20,444.25	69,190.60	41,239.18	-	2,000.00

**PK production and Dispatch for Jangkang POM**

Period	PK production (MT)		Total	Cert PK Dispatch (MT)		
	Cert	Non Cert		RSPO	Other scheme	Non Cert
Opening stock	239.78					
Oct 21	983.87	256.16	1,240.03	-		
Nov-22	1,107.48	254.92	1,362.40	300.00		
Des 21	781.89	243.88	1,025.77	1,100.00		
Jan-22	711.59	285.64	997.24	300.00		
Feb-22	611.64	322.39	934.03	300.00		
Mar-22	828.47	495.24	1,323.71	500.00		
Apr-22	823.22	543.79	1,367.01	205.41		
May-22	731.33	339.42	1,070.75	594.59		
Jun-22	714.67	556.82	1,271.49	750.00		
Jul-22	958.41	542.66	1,501.07	750.00		
Aug-22	1,161.03	443.39	1,604.41	1,003.50		
Sep-22	1,108.06	415.93	1,523.99	246.50		
Total	10,521.67	4,700.23	15,221.90	6,050.00		

**3.8.13; 3.8.14**

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production. Jangkang POM set their OER and KER estimation for next year i.e OER 22 % and KER 5%.

**3.8.15**

Jangkang POM applied SCCS – module E (MB) since its received and processing the FFB from certified and uncertified sources, verification is done through field observation and interview to security and weigh-bridge operator as well as management representative. The mill claims only the volume of oil palm products produced from certified FFB as MB.

**3.8.16**

The CSPO and CSPK from the Mill that was sold have met the requirements of certified product information. Supporting documents shown were contract agreement, delivery order, delivery ticket, report of loading, weighing minutes, weighing

card, and delivery note. Those documents cover information of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller.

Based on documents verifications, interviews with management as well as verification through Palm Trace it was known during the period during October 2021 – September 2022 there are 41,239.18 MT CSPO and 6,050.00 MT CSPK Sold under RSPO Certified.

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

3.8.17

Unit management did not use logo during communication with customer.

Status: Comply

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

4.1

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

4.1.1; 4.1.2

The Policy on Respect for Human Rights ruled in ANJ Sustainability Policy (31 October 2019) that described, ANJ recognizes the universal declaration of human rights, which articulates fundamental rights and freedom for all. furthermore, on that policy also described prohibiting retaliation against Human Rights Defenders (HRDs) as well as prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.

During the audit carried out, the team auditor has been trying to ensure this policy has been communicated and implemented through stakeholder consultation. Based on interviews with workers, the surrounding community (village head, community leaders, smallholder’s representative), and contractors knew that the company has socialized company policies regularly including policies on human rights.

Until this assessment, there were no conflicts and land disputes within the PT SMM. This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stated that there were no complaints related to the human rights violations as well as no coercion uses for all company operations.

Status: Comply

4.2

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

4.2.1

The certification unit has the following procedures:

- SOP for Handling Differences of Opinion with Communities and Land Ownership Disputes (Document No. SOP-EAD-01; Edition 01/00) dated 01 August 2013
- SOP for communication and information provision with document no. SOP-Leg-02 with the effective date of September 1, 2015
- Internal Memo No. 034 / GMO / KAL / IM / IX / 2016 dated 8 September 2016. Based on this mechanism, it is explained that complaints can be submitted to direct superiors or higher superiors or to the HRD department.
- CLA for the period 2020 – 2022.



Further explain that if the complaint is not resolved by deliberation and consensus, then the certification unit and the party submitting the complaint want a resolution through the Mediation Forum. The Mediation Forum meeting must take place at the location of the third party or other agreed place of neutrality.

Based on interview with community representatives known that during land acquisition process, all villager (land-owner) are free to deliver their comments or objection regarding to land acquisition process.

#### **Ext.Scope**

The results of interviews with representatives of the Lilangan, Renggiang, and Balok Villagers found that there were no land disputes with the company, or between farmers who are members of the cooperative. The results of interviews with officials from the Belitung Timur Regency Land Office found that there were no issues of land disputes in the villages of Lilangan, Renggiang and Balok

#### **4.2.2**

The certification unit has established a system for handling complaints and complaints for all affected parties which is documented in the Grievance Handling and Complaints Procedure with document No. SOP-EAD-01 dated 1 August 2013. There are additional provisions regarding the implementation of communication and consultation procedures to stakeholders, where the socialization of this procedure is carried out by displaying the procedure in writing or by showing pictures so that it can be understood by stakeholders who cannot read and write.

The procedure states that all complaints must be registered in the Complaint Form in clear and easy to understand language. All complaint forms will be collected and registered monthly into the Grievance Register Book. Certification unit will respond to each complaint within 14-28 days from the date the complaint request was received.

The procedure has been socialized to estate and mill workers as well as to the surrounding community on March 21, 2022. Certification units can show the minutes and attendance lists for the socialization.

#### **4.2.3**

Based on document verification of internal and external complaint book for 2021-2022, it is known that there were no complaints from the worker and surrounding communities.

Based on field observations and interviews with estate and mill employees revealed that the employees were aware of the PIC and the complaints mechanism.

#### **Ext.Scope**

Based on field observations and interviews with fertilizer and manual upkeep employees at KTS, KGNS, and BUMDES it was revealed that employees know the PIC and the complaint mechanism.

#### **4.2.4**

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

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

Based on interview with Jangkang and Dendang Head of Village sighted that if any conflict resolution, they have access to independent legal and technical advice.

**Ext.Scope**  
Based on interviews with the Village Heads of Lilangan, Renggiang, and Balok it appears that if there is a resolution to the conflict, they have access to independent legal and technical advice.

Status: Comply

**4.3**  
**The unit of certification contributes to local sustainable development as agreed by local communities.**

**4.3.1**  
The results of interviews with management and surrounding Village, conveyed that the CSR program was prepared based on the participation of the surrounding community. The company shows examples of forum group discussion on 21 December 2021, involved nearest community included the Village Heads around the company. From the results of meetings with the community, a CSR program was prepared in 2022. There are several development programs for Small and Medium Enterprises empowerment, including:

- Tourism awareness Group business management training in Simpang Tiga Village
- Assistance in the development of souvenir products
- Tracking synergies with the capital market

The results of interviews with representative of surrounding Village revealed that the company regularly visits the surrounding community. From the interview results, it was conveyed that the company had provided CSR assistance to the surrounding community in accordance with the identification needs.

Status: Comply

**4.4**  
**Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their Free, Prior and Informed Consent (FPIC).**

**4.4.1**  
Formerly the scope of certifications are 16,876.37 Ha that consists of 16,276.87 Ha own estate (5 estates) and 599.50 Ha scheme smallholders (5 Mitra cooperatives). On this assessment (ASA 2.2) there is an additional area covering in scheme smallholders covering 155.58 Ha which divided 35.02 planted area and 120.56 Ha unplanted area. The detail of extension area are described on the following table:

Name of smallholders	Previous Area	Extension area (Ha)			Total Area during this assessment (HAa)
		Planted Area	Unplanted Area	Total Extension Area	
Mitra Lestari Cooperative Unit (44 smallholders)	54.00	1.79		1.79	55.79
Mitra Anugrah Cooperative Unit (31 smallholders)	49.00	3.86		3.86	52.86
Sambar Jaya Makmur Cooperative Unit (35 smallholders)	66.50	3.84	0.19	4.03	70.53
Berhimpun Sejahtera Cooperative Unit (32 smallholders)	64.00	0.90		0.9	64.90
Lindong Raya Cooperative Unit (240 smallholders)	366.00	24.63	120.37	145	511.08
<b>Total</b>	<b>599.50</b>	<b>35.02</b>	<b>120.56</b>	<b>155.58</b>	<b>755.08</b>

Regarding the addition of areas according to the table above, there is an explanation as follows

1. there is an area of 4.79 Ha which is the difference between the accumulated field measurements and legal documents owned which is divided into 1.86 Ha in the Mitra Anugrah Cooperative Unit; 2.03 Ha in the Sambar Jaya Makmur Cooperative Unit and 0.90 Ha in the Lindong Raya Cooperative Unit.
2. There is an area of 14.23 Ha consisting of a Conservation Area of 4.41 Ha (0.19 Ha in the Sambar Jaya Makmur Cooperative Unit and 4.22 Ha in the Lindong Raya Cooperative Unit) and River Riparian covering an area of 9.82 Ha in the Lindong Raya Cooperative Unit) which were not previously included in the scope certification
3. there was an additional area that was not previously carried out by the NPP and was subject to a 3-year penalty covering an area of 30.23 Ha which was divided into 1.79 Ha in the Mitra Lestari Cooperative Unit; 2.00 Ha in Mitra Anugrah Cooperative Unit and 24.63 Ha in Lindong Raya Cooperative Unit
4. Additional reserve area in Lindong Raya Cooperative Unit covering 106.33 Ha

Based on explanation above the scope of certifications are 17,0731.95 Ha which divided 16,276.87 Ha own estate and 755.08 Ha scheme smallholders.

Land legality for own estate is based on Decree by National Land Agency No. 50/HGU/BPN/2005 dated 16 May 2005 covering 15,873.24 Ha valid until 31 December 2045 and Decree by National Land Agency No. 21/HGU/BPN RI/2011 dated 28 March 2011 covering 403.63 Ha valid until 23 June 2046. Furthermore, for scheme smallholders, the land ownership documents are in the form of SHM (*sertifikat hak milik* freehold title) and SKT (*surat keterangan tanah* Land register certificate) for 755.08Ha with 382 smallholders.

The unit of certification can present the recapitulation of the results of the inventory of community arable land, a statement of ownership, a statement of the release of land rights, and a receipt for compensation. The evidence of compensation to the landowner in each estate and the participation of the head of the village as witnessed was documented in each estate. Overall, of compensation document was kept as historical of land acquisition by the company. All the document was signed by the company's representation early landowner and included of government at village. Based on interviews with the previous landowners when the public consultation stated that the company had negotiated and paid for land compensation in accordance with the agreement, there was no coercion witnessed by government representatives.

#### Ext.Scope

The scope of PT SMM certification after this assessment became 17,283.52 Ha with details of a main area of 16,276.87, a scheme smallholder of 755.08, and an additional scheme smallholder in this assessment of 251.57 Ha

The details of the extension scope area are as follows:

- Gunung Nyerudong Sejahtera Cooperative (156.05 Ha) and 145 members
- Tiong Sejahtera Cooperative (66.11 Ha) and 49 members
- BUMDES Balok Tebing Tinggi (29.41 Ha). Land is owned by the Village government not owned by the person.

The land rights are in the form of SHM and SKT. Apart from that, STDB and SPPL can also be shown for land owners except for BUMDES Balok Tebing Tinggi which has become OFI in 2.1.1

#### 4.4.2;

There were no customary rights and traditional rights within the certification area. The scope of certification consists of own estate and scheme smallholders with cooperation with PT Sahabat Mewah Makmur. The area of PT Sahabat Mewah Makmur originated from state-owned land and traditional ownership that have been compensated. Furthermore, for the scheme smallholders the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties

Based on documents verifications and interviews with managements obtained information if the entire planted area has been compensated prior to 2006. Result of discussion with the previous landowner and community leader All compensation process has been held with transparency regarding the mutual agreement. The whole area has been compensated. Based on interviews with representatives of Village community leaders, cooperative and previous landowners obtained information if that the entire planted area of the company had been compensated.

4.4.3; 4.4.4;

Although PT SSM has gained land rights legally there are still many people using and cultivating in permit Areas. The area is managed by the community because previously no compensation has been carried out or the owner is not willing to be compensated. for the area, the company respects and there is no coercion to occupants to hand over the land to the company. the occupied area has been mapped and identified by the company and known by affected parties in appropriate scale and forms. Based on those maps, currently in the operational area, there is about ± 369.17 Ha still managed by the community.

To maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. During the period 2017 – September 2022 an area of ± 350.12 Ha has been compensated with detail presented as table below.

No	Year	Total	
		Compensate area (Ha)	Persons
1	2017	104.83	6
2	2018	36.36	28
3	2019	97.41	38
4	2021	99.57	45
5	2022	11.95	14
Total		350.12	131

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, the copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village and the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate. The company can show examples of compensation documents, such as:

- Letter of application for measuring arable land
- Certificate of ownership of cultivated land
- Measurement minutes
- Minutes of cultivated land negotiations
- Minutes of compensation price agreement
- A statement that the land is not in dispute
- Statement of the release of rights to cultivated land
- Payment receipt
- Attached map of arable land
- Documentation in the form of photos of compensation fund submission

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership.

4.4.5; 4.4.6

Based on interviews with management as well as previous landowner, obtained information if all compensation process has been held with transparent regarding the mutual agreement. The whole area managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head and other relevant parties. Interview results with customary landowners found that he has free access to information regarding the impacts of the palm oil plantation project. There were a long communication and discussion between community representatives, the government, and the company during the project preparation. Furthermore, they stated that Company never conducted any intimidation/coercion and never use paramilitary during the negotiation process. They have enough time to negotiate

and meet the decision to become part of palm oil plantation development. The process has been made in Bahasa, the Local Language, and provided by participatory mapping. Based on document verifications as well as field observations it was known there are indications if the company plant and maintain oil palm outside the permits area.

Based on the results of interviews head of Jangkang Village as well as previous landowner obtained information if all compensation process has been held with transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Interview result with previous landowner found that he has freely access information regarding the impacts of Palm Oil Plantation project from many stakeholders. He also stated he has well informed by company regarding Palm Oil Plantation Plan, the company need of plantation area, procedure of land acquisition and Compensation procedure. There were a long communication and discussion between community representatives and Company during the project preparation. Based on stakeholder consultation the landowner admit that they well informed regarding impacted areas and has been offered for land compensation inform of cash money. The community members had given by company their Free Prior and Informed Consent for the development of the project. Community aware of Palm Oil Plantation Projects run by the company, such as Land compensation, Job and business opportunity, and infrastructure improvements that giving direct improvement to local community welfare. They know where to submit their complaints and grievances if any problem occurs during the Palm Oil Plantation project operational process

**Ext.Scope**

Based on the interviews with parties, for example the Head of Balok Village, Head of Renggiang Village, Chair of the Tiong Sejahtera Cooperative, Chair of the Gunung Nyerudong Sejahtera Cooperative and representatives of the Bumdes Balok Tebing Tinggi, it is known that land acquisition is hereditary or state land that is used as village land is then distributed to village residents so that there is no process of compensation or FPIC in the acquisition and development of plantations for the scope of the extension scope

The legal rights owned by KGNS, KTS, and BUMDES Balok Tebing Tinggi are in the form of SHM or SKT. It has been shown a map with a scale of 1 : 250,000 which informs the operational area of the unit of certification including the boundary with other areas.

Status: Comply

**4.5**

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

**4.5.1; 4.5.2; 4.5.3**

Based on documents verifications, field observation and interview with management it was known there are new development in 2022 covering 131.21 Ha. The area located in the scope of certifications area where previously managed by community that been compensation. As described in indicator 4.4.4 land compensation for those area has been carried out since 2017.

Based on documents verifications and interview with managements obtained information if the entire planted area has been compensated prior 2006. However, to maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. during the period 2017 – September 2022 an area of ± 350.12 Ha has been compensated.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, The copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the

village and the head of the sub-district. The documented process of land compensation was signed by a related party, filed in each estate. The company can show examples of compensation documents, such as:

- Letter of application for measuring arable land
- Certificate of ownership of cultivated land
- Measurement minutes
- Minutes of cultivated land negotiations
- Minutes of compensation price agreement
- A statement that the land is not in dispute
- Statement of the release of rights to cultivated land
- Payment receipt
- Attached map of arable land
- Documentation in the form of photos of compensation fund submission

Based on interviews with management as well as previous landowner, obtained information if all compensation process has been held with transparent regarding the mutual agreement. The whole area managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, and other relevant parties. Interview results with customary landowners found that he has free access to information regarding the impacts of the palm oil plantation project. There were a long communication and discussion between community representatives, the government, and the company during the project preparation. Furthermore, they stated that Company never conducted any intimidation/coercion and never use paramilitary during the negotiation process. They have enough time to negotiate and meet the decision to become part of palm oil plantation development. The process has been made in Bahasa, the Local Language, and provided by participatory mapping. Based on document verifications as well as field observations it was known there are indications if the company plant and maintain oil palm outside the permits area.

#### 4.5.4; 4.5.5; 4.5.6

Interview result with previous landowner found that he has freely access information regarding the impacts of Palm Oil Plantation project from many stakeholders. He also stated he has well informed by company regarding Palm Oil Plantation Plan, the company need of plantation area, procedure of land acquisition and Compensation procedure. There were a long communication and discussion between community representatives and Company during the project preparation. Based on stakeholder consultation the landowner admit that they well informed regarding impacted areas and has been offered for land compensation inform of cash money. The community members had given by company their Free Prior and Informed Consent for the development of the project. Community aware of Palm Oil Plantation Projects run by the company, such as Land compensation, Job and business opportunity, and infrastructure improvements that giving direct improvement to local community welfare. They know where to submit their complaints and grievances if any problem occurs during the Palm Oil Plantation project operational process.

Although PT SMM has gained land rights legally, there are still many people using and cultivating in the permit areas, it's due to the owner not willing to be compensated. The company has had the Area Statement map that described various land use in permit Areas, including area width. Based on documents verifications it was known the total of not compensate area is  $\pm 369.17$  Ha. That's areas managed by the community are palm oil, rubber, or horticulture.

Based on the results of interviews head of Jangkang Village as well as previous landowner obtained information if all compensation process has been held with transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

As guidance during land compensation the company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through

#### 4.5.7 ; 4.5.8

As mentioned in indicator 4.5.1 Based on documents verifications, field observation and interview with management it was known there are new planting in 2021 located in the company permits area where previously managed by community that been compensation. As described in indicator 4.4.4 land compensation has been carried out since 2017.

Status: Comply

4.6

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

4.6.1; 4.6.2;

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership.

4.6.3;

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, the copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village. The documented process of land compensation was signed by a related party, filed in each estate

Based on the results of interviews with the Previous landowners obtained information if l compensation process has been held with transparency regarding the mutual agreement. The whole area managed by the company has been compensated. Based on interview with previously land owners as well as village head obtained information during land compensation has been pay attention regarding equal opportunities were provided to both men and woman. The compensation process involved all community witnessed also by the Village Head, Sub-district head, and other relevant parties. Records of the land compensation process consist of documents of land identification and inventory, land location maps, statements of the release of land rights by the owner, Receipts of Payment, Minutes of compensation/Compensation, and witnesses.

Ext.Scope

Based on the interviews with representatives of Renggiang Village, Balok Village, KGNS and KTS Representatives, it is known that both men and women have equal opportunities to own land rights. This can be seen, among other things, from the list of land owners who are not limited by any particular gender

4.6.4

Interview result with previous landowner found that he has freely access information regarding the impacts of Palm Oil Plantation project from many stakeholders. He also stated he has well informed by company regarding Palm Oil Plantation Plan, the company need of plantation area, procedure of land acquisition and Compensation procedure. There were a long communication and discussion between community representatives and Company during the project preparation. Based on stakeholder consultation the landowner admit that they well informed regarding impacted areas and has been offered for land compensation inform of cash money. The community members had given by company their Free Prior and Informed Consent for the development of the project. Community aware of Palm Oil Plantation Projects run by the company, such as Land compensation, Job and business opportunity, and infrastructure improvements that giving direct improvement to local community welfare. They know where to submit their complaints and grievances if any problem occurs during the Palm Oil Plantation project operational process.

Although PT SMM has gained land rights legally, there are still many people using and cultivating in the permit areas, it's due to the owner not willing to be compensated. The company has had the Area Statement map that described various land use in permit Areas, including area width. Based on documents verifications it was known the total of not compensate area is ± 369.17 Ha. That's areas managed by the community are palm oil, rubber, or horticulture.

Based on the results of interviews head of Jangkang Village as well as previous landowner obtained information if all compensation process has been held with transparent regarding to mutual agreement. Whole area that managed by the company has been compensated. The compensation process involved all community witnessed also by the Village Head, Customary leader, Sub district head and others relevant parties. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

In addition, as part of the company's development, the company has been realization of CSR programs, worker recruitment, development of smallholders scheme. in addition, to facilitate community access, the company has opened and built access roads to the community, where there are 6 access roads that cross the company connecting the surrounding villages/hamlets. With the existence of this access road, it is easier to access from villages / hamlets that were previously via the river, now can pass through the company's access road. this information has been verified through public consultation with village head and government agency as well as workers who still live around the company.

Status: Comply

4.7

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

4.7.1; 4.7.2;

The company has a procedure for land compensation as outlined in the Land Acquisition and Growth Procedure No. 021 / HR & GA / CP / Land Acquisition / 06-09, 1 June 2009. The procedure shows that in the process of compensating for land, it must go through the approval of the relevant landowner and involve relevant parties according to the type of land ownership.

There were no customary rights and traditional rights within the company's area. Based on documents verifications and interviews with managements obtained information if the entire planted area has been compensated prior to 2006. However, to maximize the production area in the permit for suitable planting areas, PT SMM has approached the community who manages it in the company's permit to be willing to be compensated (*tali asih*). the approach is in line with the principle of FPIC where there is no element of coercion or threat. during the period 2017 – September 2022 an area of ± 350.12 Ha has been compensated.

The compensation process is based on the basis of consultation and negotiations are transparent and meet the demands for social justice. The company has been shown evidence of land compensation to related parties. The sample of process land compensation present to the landowner was sighted, The copy was made in Bahasa and known by all relevant parties. Although the legal status acquired land is located within the Land Use Title area of the company, which is in the law the company is controlled legally. These processes involved the landowner and were approved by the head of the village The documented process of land compensation was signed by a related party, filed in each estate

4.7.3

Interview result with previous landowner found that he has freely access information regarding the impacts of Palm Oil Plantation project from many stakeholders. He also stated he has well informed by company regarding Palm Oil Plantation Plan, the company need of plantation area, procedure of land acquisition and Compensation procedure. There were a long communication and discussion between community representatives and Company during the project preparation. Based on stakeholder consultation the landowner admit that they well informed regarding impacted areas and has been offered for land compensation inform of cash money. The community members had given by company their Free Prior and Informed Consent for the development of the project. Community aware of Palm Oil Plantation Projects run by the company, such as Land compensation, Job and business opportunity, and infrastructure improvements that giving direct improvement to local community welfare. They know where to submit their complaints and grievances if any problem occurs during the Palm Oil Plantation project operational process.

In addition, as part of the company's development, the company has been realization of CSR programs, worker recruitment, development of smallholders scheme. in addition, to facilitate community access, the company has opened and built access roads to the community, where there are 6 access roads that cross the company connecting the surrounding villages/hamlets. With the existence of this access road, it is easier to access from villages / hamlets that



were previously via the river, now can pass through the company's access road. this information has been verified through public consultation with village head and government agency as well as workers who still live around the company.

Status: Comply

**4.8**

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

**4.8.1; 4.8.2; 4.8.3**

There is no open land dispute within the certification area. The company has a Land Compensation Mechanism and Land Conflict Resolution Mechanism that reflects the FPIC process in the process of acquisition and resolution of land conflicts.

The results of interviews with representatives including the previous landowners obtained information if that the entire operational area of the company had been compensated. The compensation process involved all community witnessed by the Village Head. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

Although PT SSM has gained land rights legally there are still many people using and cultivating in permit Areas. The area is managed by the community because previously no compensation has been carried out or the owner is not willing to be compensated. for the area, the company respects and there is no coercion to occupants to hand over the land to the company. the occupied area has been mapped and identified by the company, and currently, in the operational area, there is about ± 369.17 Ha still managed by the community.

Based on field observation in occupied area in Air Ruak Estate Block D58 and D59 its that's areas managed by the community are palm oil, rubber, or horticulture. For areas that are currently still controlled by the community (occupation area) and have never been compensated the company respects the existence and didn't force to give the land to the company. The area was clearly bounded by roads and ditches.

In conflict resolution SOP has been explained that any problems and conflicts will be settled by mediation and deliberation, and if no agreement is reached it will be resolved by legal means (court or police). The company does not use mercenaries in maintaining peace and order and based on interviews with the villages mentioned there has been no act of confrontation and intimidation by the company.

Status: Comply

**PRINCIPLE #5 SUPPORT SMALLHOLDER INCLUSION**

**5.1**

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

**5.1.1**

The unit of certification has shown a document of FFB pricing from the Plantation Agency of the Bangka Belitung Islands Province for the period January-October 2022. FFB prices for third parties and plasma cooperatives are determined based on the FFB price from the Plantation Agency of Bangka Belitung Islands Province, for example in October 2022 for FFB prices in the 3-year planting year is calculated at 1,791 rupiahs per kilogram and this is according to the price that has been set.

Based on interview with representative of smallholder cooperative, FFB price is in accordance with price from Plantation Agency of Bangka Belitung Province. The price of FFB can be accessed by PT SMM partnership farmers, where the price is posted on the bulletin board in each cooperative or using the WhatsApp group message media.

**5.1.2**

FFB pricing for outside FFB suppliers and the Partnership follows the price set by the government. Based on interviews with the partnership, it is known that they have received an explanation regarding the determination of the FFB price.

Based on the explanation from management representatives, it is known that the FFB price set by the government is informed to outside FFB suppliers through the ETIS (Electronic Traceability Information System) program.

**5.1.3; 5.1.4; 5.1.5**

Certification unit already has a Cooperation Agreement Letter that has been agreed by both parties, which is also known by the village, sub-district and district governments. The document contains, among others, the following:

- All costs of developing and managing partner plantation are separate land from plantations belonging to one party.
- The term of the agreement is 30 years or 1 planting cycle starting from the signing of the agreement by the 3rd party
- Agree and agree that the FFB selling price refers to and is guided by the applicable provisions in the Bangka Belitung Islands Province.
- The Cooperative agrees that the financing for the development and management of partnership plantations under this agreement will come from a Bank loan.
- The net income received by the cooperative is the result of the sale of FFB after deducting the costs and liabilities borne by the cooperative.

Based on interviews with partnership administrators and management representatives, it is known that there is no independent organization that supports/assist smallholders regarding management for oil palm plantation. The parties involved in this activity only from PT SMM, local government (village, sub-district, and district) and community itself.

Agreement with existing outside FFB suppliers is made fairly, in accordance with applicable laws and are transparent, and have an agreed time. The Agreement period for all FFB suppliers is 2 years. Here are some examples of agreement that were verified at the time of the audit such as agreement with CV. Agung Permata, CV. Sinar Cahaya Abadi, PT Hasil Sawit Bina Sejahtera, and Koperasi Bumi Makmur.

**Ext.Scope**

PT SMM collaborates with 8 cooperatives around its operational area, with 3 of these cooperatives currently entering the extension scope to join the certification scope. The signing was carried out by both parties (certification unit and cooperative management) and independent representatives, namely the sub-district head, village head and district head. Based on Indonesian regulations, the determination of smallholders is determined at the government level (Village, District, Regency and Provincial Officials). The following is evidence of the cooperation agreement that the company has with cooperatives, including:

- Cooperation Agreement between PT SMM and Tiong Sejahtera Cooperative (KTS) Number 006/LP/SMM/SPK/IV/2016 dated 13 April 2016 concerning the Development and Management of Oil Palm Plantations with a Partnership Pattern.
- Cooperation Agreement between PT SMM and the Gunong Nyerundong Sejahtera Cooperative (KGNS) Number 009/LP/SMM/SPK/IV/2016 dated 13 April 2016 concerning Development and Management of Oil Palm Plantations with a Partnership Pattern
- The Cooperation Agreement between PT SMM and Bumdes Balok (BDB) in the form of an Application Document for Oil Palm Plantation Partners with a 100% Plasma pattern between the Balok Village Government and PT SMM Number 525/05.a/BLK/I/2012 which was agreed upon by the SMM on the date 6 February 2012 with document number 12/SMM-EA/2012.

Based on a review of the contractual agreement, as well as consultation with the Cooperative Official, the agreement has been set and the Official has understood the provisions of finance, FFB pricing, management, management fees, loans, disputes, etc. The agreement has been made legally, fairly, transparently, and has a time frame, which is one cycle and can be extended if agreed by both parties.

**5.1.6**

Current and previous prices paid for Fresh Fruit Bunches (FFB) are publicly available. The price of FFB determined by the unit of certification in accordance CPO price trends and it's stipulated in work agreements. Based on contract agreement verification known that the FFB trading is conducted fairly, transparently and based on both party agreement. Has been observed, the FFB payment process has been carried out transparently and there has never been a grievance related to the payment.

An example of payment verified by the auditor is invoice and proof of payment for period for September 2022 for Koperasi Augrah and Koperasi Bumi Makmur where the calculation of payment is in accordance with the amount of FFB acceptance in Mill and the price set. Furthermore, into the local contractor the company can demonstrate that the payment is in accordance with the agreement.

**Ext.Scope**

The company every quarter period makes a presentation related to the results and explanation of the cost of selling FFB. This is indicated by the minutes of results presentation and explanation of the operational costs of plasma plantation products for quarter 3 of 2022 which were attended by representatives from cooperatives and companies on December 15, 2022. Payment has been made and can be proven through payment receipts. The resource person also explained that while working with PT SMM there had never been any delays in payment, and the prices given were always in accordance with the agreements made, namely referring to the prices of the Plantation Service. The price is considered higher and profitable when compared to selling to collectors.

**5.1.7**

The results of document verifications it was known that the certification unit has routinely calibrated the weighing equipment carried out by *Dinas Penanaman Modal Pelayanan Terpadu Satu Pintu* Belitung Timur Regency. The certification unit has also shown documents on the weighbridge calibration carried out in 14 April 2022 No. 510/020/SKHP/DPMPTSP.5 and No. 510/019/SKHP/DPMPTSP.5

**5.1.8**

The unit of certification has supported independent smallholders for certification in which certification unit undertakes full management of oil palm plantations owned by smallholders. Of the 8-partnership estate unit that have followed the certificate process, there are 5 partnership estate unit, while 3 partnership estate unit are still in the process of preparing for certification.

In accordance with the agreement, it is stated that the certification unit is in full control of the partnership plantation and the RSPO certificate is integrated with the RSPO certificate.

**5.1.9**

Certification unit already has a mechanism for handling complaints, including the following:

- Internal Memo no 036/HRO/SMM/06/14 dated 7 June 2014 related to the complaint handling mechanism.
- SOP for Communication and Information Provision (Document number: SOP-Leg-02 dated 01 September 2015). The SOP aims to establish a two-way communication system and establish procedures for submitting and filtering information submitted by the company both to employees and to other 3rd parties so that all information related to all aspects of company activities can be known by employees, visitors and third parties or external and simultaneously the company obtains comprehensive information and reports from employees, visitors and other third parties or external.
- SOP for Handling Differences of Opinion with the Community and Land Ownership Disputes (SOP-LEG-03 rev 01/00 dated September 1, 2015. Procedures for handling differences of opinion with the community and land disputes include procedures for receiving and handling complaints, protests, objections or disappointments may arise in the community against policies or decisions taken by the company.

Based on the results of interviews with the head of the cooperative and workers, they already know the mechanism for submitting complaints to the company. So far, the company has carried out good cooperation related to partnership estate management cooperation and this is felt to have a very positive impact on the cooperative and its members. Based on document review of complaint book, there is no complaint from farmers or suppliers.

	Status: Comply	
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**5.2**  
The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.

5.2.1; 5.2.2; 5.2.3

CH has supported independent smallholders for certification where CH is the one who carries out full management of the oil palm plantations owned by smallholders. From 8 partnership organization, there are 5 partnership organization that have followed the certificate process, while 3 partnership organization are still in the process of preparing for certification.

CH has conduct communication with smallholders to improve livelihoods and their interest in RSPO certification. There is 1 independent smallholder that interest in RSPO certification (outside the 8 smallholders' partnership) and CH has been plan to conduct HCV assessment in 2022.

Based on the 5-year work program of Sustainability Compliance Certification Activities, it is known that the work programs prepared are:

- Legal compliance for smallholders
- HCV assessment
- NPP assessment
- RSPO Certification
- ISPO Certification
- Internal audit

**5.2.4**

The company conducted provide training on pesticide handling and the socialization to workers who work in smallholders area such as on 15 August. Based on an interview with pesticide operator in a cooperative (Mitra Anugrah and Mitra Lestari Cooperative) sighted they are understood procedures of pesticide application. The workers who carry out management in smallholder area are CH workers and this is inline the agreement.

**5.2.5**

CH as subsidiary of PT Austindo Nusantara Jaya Tbk has publicly reported the progress of its independent smallholder support program in sustainability report 2021

Status: Comply

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

The certification unit has a commitment to respecting human rights and describe in the ANJ's Sustainability Policy review on 31 October 2019, it stated that Austindo Nusantara Jaya Agri committed to provide equality in employment opportunities to every employee. It also stated that the certification unit's beliefs and labour standards confirm that the certification unit will not discriminate in every decision-making related to all workers, promotion or retire works/ candidates based on race, colour, sex, age, social class, religion, sexual orientation, politics, or disability.

Based on the workers' recruitment document, the certification unit had provided equal opportunities in recruitment and operational activities. In addition, in CLA period 2020-2022, it stated the qualifications of workers and there were no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief.

**6.1.2**

The certification unit shows an employee list document that informs religion, ethnicity and gender for the period August – October 2022. From the document it is known that the employees in each unit come from different regions. From the document it is also known that the employees who work consist of Muslims, Catholics, Protestant Christians, and Hindus.

In addition, there are no migrant workers. All recruitment is carried out in accordance with the certification unit's employee recruitment SOP.

Based on the foregoing, it is known that there is no discrimination against religion, ethnicity and class in obtaining employment.

#### Ext.Scope

The implementation of the anti-discrimination policy has been verified by the Auditor. The results of a review of the KTS, KGNS, and BUMDES workforce list documents for the period December 2022 and January 2023 found that the workers recruited had various backgrounds of sex, education, ethnicity, religion, and age. The results of field observations on fertilization and manual upkeep activities at KTS, KGNS, and BUMDES note that workers come from various ethnicities, religions, races, and genders.

#### 6.1.3

During recruitment process, the certification unit had set the standard of competence that required based on the position offers. Selection had included evaluation towards skills, performance, and medical test result. Furthermore, promotion is conducted based on work period, annual evaluation result and availability of position. All workers are treated equally in accordance with company regulation including rights of worker as well.

Records on manpower procedure had been documented, as verified randomly to the several documents, as follows:

- a. Job vacancies for Health Analyst, Mill Maintenance, Driver, and Administration positions submitted publicly through the village office around on 18 May 2022.
- b. Employee job application letter with initials RN dated August 29, 2022. The application letter is accompanied by several supporting documents, including: identity card and family card, personal data of prospective employees, results of medical check-ups, test results and interviews.
- c. Work agreement Letter No. 068/SMM/HRO-PKWTT/22-2022 dated September 2, 2022 between PT SMM and employee initials RN. The work agreement explains the rights and obligations of employees.
- d. Employee transfer letter with ID SM/SM25/0205/124 from Air Ruak Estate which was transferred from the Harvest Foreman to the Nursing Foreman of Division 16 ARE as of October 1, 2022.
- e. Employee Performance Assessment for the 2022 period for employees with the initials FA. Based on the results of the assessment, the employee was promoted to the position of Head of Delivery Division 16 as of October 1, 2022.
- f. Employee pension document with ID SM/SM22/0999/15 which consists of the identity of the retired employee, approval for the application for compensation which was approved on August 2, 2022, a collective agreement regarding employee severance pay and proof of employee severance pay on September 9, 2022.

#### Ext.Scope

There is evidence of worker acceptance, access to training, and promotions are made on the basis of skills and abilities, as well as medical eligibility. The employment aspect PIC for KTS, KGNS, and BUMDES Tebing Tinggi is managed by PT SMM. An example of the application of the recruitment process for harvest workers at KGNS with the initials IA which began work on December 10, 2022 has been shown. Workers have carried out physical examinations in the initial health check before work. The relevant personal documentation has also been shown in the form of a copy of a family card, a copy of a KTP, and a photo.

The results of a study of employee data for the period January 2023, it is known that there are 9% of the 35 workers who are female workers. There are also educational backgrounds namely 18 elementary school workers, 3 junior high school workers, and 14 high school/vocational high school workers, with distribution from Sinar Setiong Hamlet, Lilangan, Sekip, Limbongan, Bukit Setiong, Air Dekat, Tanjung Batu, Liring, Air Pandan, and Balok.

The employment aspect PIC for KTS, KGNS, and BUMDES Tebing Tinggi is managed by PT SMM. An example of the application of the recruitment process for harvest workers at KGNS with the initials IA which began work on December 10, 2022 has been shown. Workers have carried out physical examinations in the initial health check before work. The relevant personal documentation has also been shown in the form of a copy of a family card, a copy of a KTP, and a photo. Also shown is the Work Agreement dated December 9, 2022 which contains a 3-month probationary period, calculation of wages and benefits, participation in labor and health insurance, overtime, and leave.

#### 6.1.4

The certification unit does not perform a pregnancy test at the time of employee recruitment. Pregnancy checks are only carried out for spray and fertilizer workers on a monthly basis to find out whether workers are pregnant or not. Pregnancy checks are only carried out for female workers who do not use contraception.

Based on interviews with representatives of the gender committee and female employees in the field, it is known that pregnant workers will be transferred to jobs that do not endanger pregnancy, for example as guard officers in daycare centers or manual care workers.

#### Ext.Scope

Based on the review of the recruitment documents, it was discovered that the recruitment was carried out according to procedures. This is based on the skills, abilities and health conditions of all workers. An example of the application of the recruitment process for harvest workers at KGNS with the initials IA which began work on December 10, 2022 has been shown. Workers have carried out physical examinations in the initial health check before work. The relevant personal documentation has also been shown in the form of a copy of a family card, a copy of a KTP, and a photo.

The results of interviews with management representatives found that pregnancy tests were carried out for 3 female workers regularly every month. The purpose of the pregnancy test is to identify the pregnancy of a female worker as a basis for placing a job according to the procedure. Pregnant workers are not allowed to work with chemicals and toxic materials, as well as physically demanding work, and are offered alternative work options that are equivalent. Pregnancy checks are not for discriminatory purposes.

#### 6.1.5

The certification unit has a gender committee that has been formed chaired by the chair of the committee and coordinators in several sections and there are representatives in each unit. The gender committee structure consists of female and male workers. The main purpose of establishing gender committee is to provide a forum that can accommodate the aspirations or complaints of workers, as certification unit partners in carrying out socialization activities related to gender and other policies related to workers' reproductive rights.

Further explained that the gender committee provides support for female employees, including protection and maintenance of women's health, maintenance of family life and welfare, protection from sexual harassment and violence, providing continuing education that gender equality exists in the unit of certification.

The certification unit also showed the policy against sexual harassment, violence, and reproductive rights. It stated that Austindo Nusantara Jaya Agri committed to support the reporting of all incidents of sexual harassment, violence, abuse, and violations of reproductive rights experienced by any individual (regardless of gender and age).

#### 6.1.6

The certification unit does not discriminate against workers' rights, this is indicated by the payment of equal wages for workers in the same scope of work. The certification unit issued a decision on the payment of salaries for permanent employees in 2022 based on the Decree of the Governor of Bangka Belitung No. 188.44/1009/DISNAKER/2021 concerning the 2022 Provincial Minimum Wage. The decree stipulated the minimum wage for plantation and the processing sector with a value of IDR 3,264,884. The certification unit in this case shows proof of payment of salary that is equivalent to the scope of work by showing the salary slip for sterilizer and boiler operator for the period of September 2022 where overtime payments have been paid in accordance with applicable regulations and the working hours of employees, for example overtime for sterilizer operators with value of IDR 5,669,707 while overtime for boiler operator with a value of IDR 5,082,042.

The certification unit has also developed a salary structure and scale that applies to employees with more than 1 year of service based on the Internal Memorandum from the Senior HRR Manager with No. 009/HRD-RO/IOM/III/2022 dated March 1, 2022. In the document it is known that the highest wages are employees of class 2D with a value of IDR 3,572,000 while the lowest salary is employee of class 2A with a value of IDR 3,024,750

The certification unit shows the document for Determining the Wage Structure and Scale for the Belitung Region in 2022 which has been approved by the HR Director and CFO on April 21, 2022. The document explains that:

- a. Employees of the NS-B class receive wages with a value of IDR 3,289,884 – IDR 3,455,706
- b. Employees of the NS-C class employees receive wages with a value of IDR 3,330,572 – IDR 3,413,473
- c. Employees of the NS-D group employees receive wages with a value of IDR 3,371,768 – IDR 3,371,260

It was further explained that the structure and scale of wages were determined based on years of service and an annual performance appraisal by each supervisor.

**Ext.Scope**

The company already has a wage scale structure policy contained in Internal Memo number 063 of 2016 dated January 5, 2016 which regulates length of service allowance of IDR 3,000 per year of service. However, based on the results of a review of payroll documents and pay slips for January 2023, it shows that long service benefits have been included in the wage system. In verifying the wage data, information was obtained that there were workers with 1 year of service who had not received the long service allowance as stipulated in the Memo above. Based on this, companies are encouraged to ensure that all workers who work for more than 1 year receive long service benefits as stipulated in Memo Number 063 of 2016 (OFI).

Status: Comply

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

**6.2.1 Implementation of Employment Procedures**

The certification unit shows a sample of job requirements documents for new employees as follows:

- a. Job vacancies for Health Analyst, Mill Maintenance, Driver, and Administration positions submitted publicly through the village office around on 18 May 2022.
- b. Employee job application letter with initials RN dated August 29, 2022. The application letter is accompanied by several supporting documents, including: identity card and family card, personal data of prospective employees, results of medical check-ups, test results and interviews.
- c. Work agreement Letter No. 068/SMM/HRO-PKWTT/22-2022 dated September 2, 2022 between PT SMM and employee initials RN. The work agreement explains the rights and obligations of employees.
- d. Employee transfer letter with ID SM/SM25/0205/124 from Air Ruak Estate which was transferred from the Harvest Foreman to the Nursing Foreman of Division 16 ARE as of October 1, 2022.
- e. Employee Performance Assessment for the 2022 period for employees with the initials FA. Based on the results of the assessment, the employee was promoted to the position of Head of Delivery Division 16 as of October 1, 2022.
- f. Employee pension document with ID SM/SM22/0999/15 which consists of the identity of the retired employee, approval for the application for compensation which was approved on August 2, 2022, a collective agreement regarding employee severance pay and proof of employee severance pay on September 9, 2022.

Based on interviews with estate and mill workers revealed that each worker had received wages in accordance with applicable regulations. It was further explained that until the audit activity took place, there had never been a violation regarding the payment of employee wages, in example:

- 1. Estate and Mill employee salary slip for September 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations.
- 2. Overtime payment on September 2022 for workers who work more than 7 hours a day which details of overtime calculation is in accordance with applicable regulations. The salary is given by transferring to the bank account of each employee. Thus, the certification unit has carried

Based on field observations and interviews with mill, and estate employees revealed that the certification unit had paid employee wages and overtime in accordance with applicable regulations, further explained by the employee that there were no difficulties in applying for employee leave.

Based on field observations and interviews with employees in the estate and mill areas show that each employee has a work agreement with the certification unit and has understood the rights and obligations of being an employee of the certification unit

**Ext.Scope**

The company already has a collective work agreement (CLA) period of 2022 - 2024, signed between the Director of PT SMM and representatives of the SPSI Workers' Union in February 2023. Currently ibi is in the process of submitting an online approval by the Ministry of Manpower. The CLA sets out the rights and responsibilities of employers and workers, hiring processes, promotions and demotions, Management of working time, payment systems, social insurance, termination of contracts, and so on. Based on interviews with workers, it is known that they understand the rights and obligations of workers as written in the collective work agreement. This has been disseminated to workers by management representatives.

In the CLA that the minimum wage referred to government regulations. Based on verification of payment slips, the Company pays the minimum wage to workers who are referred to the minimum wage of Bangka Belitung Province based on Governor Decree No. 188.44/653/DISNAKER/2022 concerning the 2023 Provincial Minimum Wage of IDR 3,498,479.00.

The results of interviews with KTS, KGNS, and BUMDES workers revealed that each worker had received wages in accordance with applicable regulations. Related to the application of the structure and scale of wages as in the long service allowance has been discussed in indicator 6.1.6. The following is an example of a worker's salary slip for January 2023, it is known that the salary slips for KTS, KGNS, and BUMDES employees for the period explain that employees get a basic salary in accordance with the UMP, attendance allowance, length of service allowance, harvest premium (for the harvest team).

#### 6.2.2

##### Collective Labour Agreement (CLA)

There is a work agreement with related documents that regulates detailed wages and work requirements (for example regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notification period before dismissal, etc. according to national regulatory requirements) and salary breakdown documents that provide accurate information on compensation for work performed.

The certification unit has a CLA for the period 2020-2022 which has been ratified based on the Decree of the Director General of Industrial Relations and Labor Social Security dated December 14, 2020 and is valid until December 14, 2022.

Based on interviews with Labour Unions and *LKS Bipartite* revealed that negotiations regarding the renewal of the CLA will only be held in November 2022.

In this case, the certification unit has the opportunity to ensure that the progress of the extension of the CLA lasts until the issuance of the latest CLA. OFI

Based on verification of work agreement documents and employee salary slips for the July – September 2022 period, it is known that all work agreements have been registered to the manpower agency. Regarding employee payroll, the certification unit has implemented a structure and scale of wages for employees with a service period of more than 1 year.

Based on the verification of employee salary slips show that the pay slips provide good information regarding wages, compensation and deductions for each employee. Based on interviews with estate and mill employees show that the certification unit always provides socialization related to item information in salary slips so that employees are not confused or misinterpreted.

Based on field observations and interviews with estate and mill employees, it is known that the certification unit has implemented labor regulations properly in accordance with applicable regulations. It was further explained that until now, there has never been a case related to employment.

In the previous assessment, there was OFI regarding workers who invited family members to work in the field in high FFB conditions. The auditor in this case checks through field observations for harvesting activities and housing areas in each unit to confirm this. Based on field observations in harvesting activities and in the housing area of each unit revealed that there were no workers who brought family members to work, it was further explained that the certification unit prohibited all employees from bringing their family members to the field under any conditions.



**Ext.Scope**

The results of verification of work agreement documents and employee salary slips for the January 2023 period show that the unit of certification has implemented a wage structure and scale for employees with a service period of more than 1 year. Pay slips provide good information regarding base salary, benefits, and social security and labor and health payments. The results of the document review and interviews revealed that the certification unit had provided socialization regarding wages, such as the harvest wholesale basis which was held on April 9, 2022 at KTS, KGSN, and BUMDES.

**6.2.3**

The certification unit shows documents related to evidence of compliance with labor provisions as follows:

1. Estate employee salary slip for September 2022 period. The salary slip explains that employees get a basic salary in accordance with the prevailing wage structure and scale and receive benefits, attendance incentives and overtime whose calculations are in accordance with applicable regulations.
2. Overtime payment on September 2022 for workers who work more than 7 hours a day which details of overtime calculation is in accordance with applicable regulations. The salary is given by transferring to the bank account of each employee. Thus, the certification unit has carried
3. Menstruation leave document for a day on 17 September 2022.

Based on field observations in the Land Application area show that in addition to getting basic wages, employees also get a fixed premium with a value of IDR 1,032,000. The auditor in this case simulates the calculation of employee wages with ID SM/SM31/0599/31 using the overtime system if they work more than 7 hours of work, where the employee's basic salary is IDR 3,264,884 or IDR 18,872.16/ hour. Based on document verification show that the employee works on Sundays with a total of 26 hours of work with a value of overtime wages of IDR 1,019,096.64. Based on the simulation results of the calculation with the overtime system, it is known that the value of the fixed premium given by the certification unit is higher than the value of the calculation of overtime.

Based on field observations and interviews with mill, and estate employees revealed that the certification unit had paid employee wages and overtime in accordance with applicable regulations, further explained by the employee that there were no difficulties in applying for employee leave.

Based on the above, the certification unit can show good documentation related to regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice.

**Ext.Scope**

The unit of certification shows documents related to proof of compliance with labor regulations such as:

- The Plantation Employee Salary slip for the period January 2023. The salary slip explains that employees receive a base salary according to the UMP, implementation of the wage structure and scale, attendance incentives, long service allowances, and premiums.
- The results of document review and interviews with company representatives found that there was no overtime work in the cooperative, as only harvest and plant maintenance workers.
- Have shown employee leave documents for a day in February 2023.

**6.2.4**

The certification unit provides facilities and infrastructure for employee welfare. Based on field observations at employee facilities, the following are known:

1. Housing with livable conditions in the form of permanent buildings for workers located in estates and mills. Housing is provided for each family, while single employees occupy a house with 2 occupants.
2. The source of clean water comes from well water with suitable conditions for use. For central housing and factories get water supply from water treatment.
3. Medical services are provided by clinics located in each estate.
4. Educational facilities are available for Childhood Education (*SD*). As a supporting facility for school children, the certification unit has provided transportation facilities in the form of a pick-up bus.
5. Places of worship in the form of Mosque and Church. Sports facilities include soccer fields, volleyball and badminton.

In addition, there are employee halls, child care facilities, and canteens that provide basic needs/ staple food for employees.

Based on field observations in residential areas, it is known that there are several stalls owned by employees that provide basic daily needs at affordable prices.

Based on document verification and interviews with mill and estate staff, it appears that the certification unit has a budget for housing repairs.

In the previous assessment, there was an OFI related to a drainage in one housing that had a leak from the housing's bathroom drain. The auditor in this case re-checked the housing of each sample unit. Based on field observations it was known that the rear area of the house was in good condition, there were no houses that had leaks in the bathroom drain.

Based on interviews with estate and mill employees show that the certification unit always controls and evaluates the cleanliness of the front and back areas of the house as a whole when employees do weekly community service.

#### Ext.Scope

The results of field observations and interviews with workers in KTS, KGNS, and BUMDES found that the majority of workers live in their own hamlets.

#### 6.2.5

Based on field observations and interviews with estate, and mill employees revealed that in the certification unit's environment there are basic food cooperatives, vegetable vendors and stalls in the employees' homes that provide their daily needs at affordable prices.

#### Ext.Scope

The results of field observations and interviews with workers in KTS, KGNS, and BUMDES found that the majority of workers live in their own hamlets. Food sources are quite abundant and easy to obtain in the village.

#### 6.2.6

The certification unit has calculated the prevailing wages and in-kind benefits based on the guidelines issued by the RSPO. Prevailing wages are taken from prevailing wages such as basic wages/ minimum wages. Meanwhile, in-kind benefits are taken from all costs incurred by the certification unit for the provision and maintenance of facilities provided by the certification unit to employees, such as electricity, housing, water, schools, health facilities, and baby care. For example, to calculate the in-kind benefit of housing, the costs considered in the calculation include building material costs, construction costs, and including maintenance costs for 25 years (technical considerations of buildings are feasible to use). The calculation result of prevailing wages and in-kind benefits received by employees is IDR. 4,522,698/ month (Minimum wages in 2022, IDR. 3,264,884/ month + in-kind benefit, IDR. 1,257,814/ month).

#### Ext.Scope

The unit of certification has calculated the applicable wages and in-kind benefits based on the guidelines issued by the RSPO. In general, the implementation of living wage calculations in KTS, KGNS, and BUMDES refers to company calculations. What is different is the residence of KTS, KGNS, and BUMDES workers who are in the village, not in company housing. So that the calculation of housing, electricity and water is not included in the calculation of living wages. However, the basic salary excluding other allowances and benefits has referred to the Provincial Minimum Wage.

#### 6.2.7

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

Ext.Scope

The results of field observations and document reviews revealed that all workers at KTS, KGNS, and BUMDES found that all workers had permanent employee status. Harvest work is also carried out by permanent employees

Status: Comply

6.3

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

6.3.1

The certification unit has had an Internal Memorandum (IM) No 074/ANJA Belitung/GM-HRD/IM/12/2013 dated 11<sup>th</sup> December 2013. The IM explained that Austindo Nusantara Jaya Agri is committed to provide all labour's rights specifically to establish free, open, independent, democratic and responsible trade unions. The IM is publicly available on the certification unit website in two languages (Indonesian and English), and has been gradually disseminated to all workers on 6 – 7 June 2022. The certification unit can show the socialization documents and documentation of the activity.

Based on interview with Labour Union and *LKS Bipartite* management representatives known that the certification unit has accommodated employee rights to argued, associate and organize in an organization. Employees, including migrant and transmigrant workers were allowed to form associations and bargain collectively with their employer. There was no migrant and transmigrant since 2019.

There were Labour Union and *LKS Bipartite* represent estate and mill employee that have been registered in Department of Manpower and Transmigration Belitung Timur Regency. *LKS Bipartite* management is independent from certification unit workers.

Labour laws, union agreements which described in CLA 2020 – 2022 and direct contracts of employment detailing payments and other conditions was made available in the languages which understood by the workers and explained carefully to them by management official.

Based on field observations and interviews with estate and mill worker revealed that the certification unit routinely socializes related freedom of association and the delivery of employee complaints.

6.3.2

The certification unit shows the minutes of the meeting of the *LKS Bipartite*, for example:

- a. *LKS Bipartite* Meeting on June 2, 2022 and attended by the *LKS Bipartite* management. The main topics of discussion at the meeting were the 2022 employee health examination program, work accident reports in each unit, and monthly salary increases for employees.
- b. *LKS Bipartite* Meeting on July 24, 2022 and attended by the *LKS Bipartite* management. The main discussion in the meeting was the implementation of a clean house assessment in 2022, as well as the distribution of vegetable and fish seeds to employees.
- c. *LKS Bipartite* meeting on August 3, 2022 and attended by the *LKS Bipartite* management. The main discussion in the meeting was the provision of scholarships for employees' children who enter state universities in 2022.

In addition, the certification unit also shows the minutes of the labour union meeting held on September 19, 2022, while the main discussion in the meeting is related to the evaluation and follow-up of employee complaints in the period August 2022.

Based on the foregoing, it is known that the certification unit already has good documentation regarding the *LKS Bipartite* and Labour Union internal meetings.

6.3.3

The certification unit shows a document for the formation of Labour Union and *LKS Bipartite* without any interference. The decision explained that the management of the *LKS Bipartite* consists of 10 representatives of employers and 10

representatives of workers while for labour union management consists entirely of estate and mill employees. The labour union has been registered to Labour Agency of Belitung Timur Regency dated 20 August 2021.

Based on interviews with Labour Union and *LKS Bipartite* officials, it was revealed that the certification unit fully supports all organizational activities without any intervention. It was further explained that until the audit activity took place, there had never been a conflict of interest with the certification unit.

Based on interviews with labour union officials as well as estate and mill employees found that employees have the right or freedom to join or not join as members of a labour union.

Status: Comply

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

**6.4.1**

The certification unit has an Internal Memorandum (IM) from General Manager No 009/GM/SMM/IM/3/2013 dated 4<sup>th</sup> March 2013. The IM states that Austindo Nusantara Jaya Agri does not tolerate child labour, any form of child exploitation and child abuse. The certification unit has committed to prohibiting the use of child labour and forced or compulsory labour in its operations. In addition, child labour clauses apply across Austindo Nusantara Jaya Agri 's global operations, including subsidiaries, joint ventures and third party suppliers. In addition, the Company Regulation also states that the recruitment requirements for new employees must not be under the age of 18.

This policy has been socialized to all employees in each estate, mill and local contractor. The certification unit can show documentation, attendance list and information dissemination of the policy.

Based on field observation and interviews with estate and mill workers, known that the minimum age for work is 18 years, and no workers found below the minimum age specified. This is supported by the results of a review of certification unit and contractor workers' document which proves that there are no workers under the age of 18 at the time of entering work, the youngest age of workers is 25 years old when entering work in 2018.

**6.4.2**

The certification unit shows a list of employees accompanied by date of entry and date of birth. In addition, an example of proof of recruitment is also shown in the form of a copy of the employee's ID card and family card. From these data it is known that there are no employees under 18 years of age when accepted to work at the certification unit.

Based on field observations and interviews with estate, mill, and contractor employees revealed that there were no employees under the age of 18 when they started working.

**6.4.3**

Based on document verification and field observations revealed that in the last 1 year there were no apprentices in the certification unit's operational areas.

**6.4.4**

Based on interviews with the gender committee and workers in the field, it was revealed that workers already understand the rules regarding the prohibition of bringing children to work. The unit of certification also publishes information on outreach and education on child protection and development on 22-23 August 2022. While the socialization for FFB suppliers, local contractors and the surrounding community is carried out on 26-27 August 2022, the unit of certification can show documentation and attendance list of the socialization activity.

**Ext.Scope**

This policy has been socialized to all employees in each local plantation, factory and contractor. The unit of certification can show documentation, attendance lists, and information dissemination of the policy. for example, socialization on the protection of reproductive rights, handling employee complaints, the prohibition on employing minors for KTS, KGNS, and

BUMDES employees, on 5 September 2022. Meanwhile the outreach to contractors was carried out on 30 September 2022.

Based on field observations and interviews with KTS, KGNS, and BUMDES cooperative workers, it is known that the minimum age for employment is 18 years, and no workers were found to be below the specified minimum age. This is supported by the results of a review of the unit of certification and contractor worker documents which prove that there were no workers under the age of 18 when they entered work.

Status: Comply

6.5

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

6.5.1

The certification unit has an Internal Memo (IM) on Sexual Harassment, Violence and Abuse, and Reproductive Rights signed by Act General Manager No. 076/GM/HRO/12-2013. The IM states that Austindo Nusantara Jaya Agri strives to provide a conducive work environment characterized by equality and mutual respect, and encourages reporting of all incidents sexual violence and harassment, and violations of reproductive rights experienced by every individual. The gender committee was formed to provide support for female workers against sexual harassment and violence and to communicate and communicate the policy to all workers.

This policy has been socialized to all employees in each estate, mill and local contractor. Certification unit can show documentation, attendance lists and socialization materials.

Based on interview with committee gender, estate and mill worker known that the policy had disseminated to workers through gender committee meetings with workers and in the last year period, that hasn't any issue/ incident related to sexual harassment, violence at work/ reproductive rights. All of the same benefits have been obtained by all female workers, starting from the provision of wages, leave, promotions, rice allowances, and other benefits, including the provision of special time while working to breastfeed their children.

Based on documents verification related to reproductive rights, it is known that female workers have received the same benefits as male workers, including rice allowance with the same value as workers, given the same freedom of association, getting leave menstruation (H1) and maternity leave (H2), getting special time to breastfeed while working and placing the location/type of work that is not related to chemicals or other hazardous areas.

**Ext.Scope**

Based on interviews with workers in KTS, KGNS, and BUMDES, as well as members of trade unions and gender committees, they understand the policy and mechanism for filing complaints. Complaints can be referred to the Bipartite Cooperation Council, the Gender Committee or their Foreman. Stating that the company also guarantees anonymity and protective blower protection. There are no issues or complaints regarding sexual harassment in the workplace.

6.5.2

The certification unit has an Internal Memo (IM) on Sexual Harassment, Violence and Abuse, and Reproductive Rights signed by Act General Manager No. 076/GM/HRO/12-2013. The IM states that Austindo Nusantara Jaya Agri strives to provide a conducive work environment characterized by equality and mutual respect, and encourages reporting of all incidents sexual violence and harassment, and violations of reproductive rights experienced by every individual. The gender committee was formed to provide support for female workers against sexual harassment and violence and to communicate and communicate the policy to all workers.

Furthermore, The certification unit has a gender committee. A gender committee has been formed chaired by the chair of the committee and coordinators in several sections and there are representatives in each unit. The gender committee structure consists of female and male workers. The main purpose of establishing a gender committee is to provide a forum that can accommodate the aspirations or complaints of workers (women and men), as certification unit partners in carrying out socialization activities related to gender and other policies related to workers' reproductive rights.

This policy has been socialized to all employees in each estate, mill and local contractor. Certification unit can show documentation, attendance lists and socialization materials.

**Ext.Scope**

Company policies on the prevention of sexual harassment and violence and other forms must be documented, implemented and communicated to all employees. For example, socialization on the protection of reproductive rights, handling employee complaints, the prohibition on employing minors for KTS, KGNS, and BUMDES employees, on 5 September 2022. Based on field observations and interviews with KTS, KGNS, and BUMDES cooperative workers, it is known that there is no sexual harassment for 2022.

**6.5.3**

The certification unit shows the document for the list of new mothers in 2022. From the list, it is known that in September 2022 there were 5 breastfeeding mothers and 25 pregnant women. Furthermore, the certification unit showed the document Identification of the Needs of New Mothers in which the assessment was carried out on 5 breastfeeding mothers and 25 pregnant women. From the results of the assessment, several things were known as follows:

- a. Observation for the first 6 hours after delivery
- b. Fulfillment of Nutrition & Fluids in Postpartum Mothers
- c. Postpartum Mobilization
- d. Giving Multivitamins
- e. Physical Health Monitoring 2 Weeks and 6 Weeks Postpartum
- f. Educate postnatal mothers regarding breastfeeding, personal hygiene, breast care, selection of contraceptives, and danger signs for postpartum mothers

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

**Ext.Scope**

Based on document review found that there were no pregnant women during the 2022 period. Periodic pregnancy checks have been shown for KTS and BUMDES employees during the 2022 period with the result that there were no pregnant employees.

**6.5.4**

The certification unit showed the Internal Memo (IM) of Act General Manager No 076/GM/HRO/12-2013. In the IM described that if requested, the certification unit guarantees the confidentiality of the reporting identity and the disclosure of disgrace or incident (whistleblower).

Besides that, the certification unit has formed gender committee for handling the harassment issue around female workers. Complaint can be submitted to board of gender committee or their foreman. Based on interview with the board of gender committee, the certification unit provides the female worker with menstrual leave, pregnant and nursing leave for about 3 months. Pregnant and nursing female worker is prohibited to work related to chemical. And also, certification unit give special breast-feeding time for female worker, but prohibit the worker from working with chemical material.

**Ext.Scope**

The results of interviews with the Heads of Lilangan and Balok Villages revealed that there were no complaints against the company. The results of interviews with KTS, KGNS, and BUMDES workers found that there were no employee complaints.

	Status: Comply	
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<b>6.6</b>	<b>No forms of forced or trafficked labour are used.</b>
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6.6.1	
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Based on interviews with operational staff revealed that all employees were those who passed the recruitment and selection process according to certification unit procedures and requirements. Certification unit post job vacancies then prospective workers come voluntarily to apply for jobs that are available for free and there is no holding of identity documents. Overtime is monitored by the certification unit and workers are given the freedom to choose overtime. The certification unit also does not force or make it difficult for employees to resign. There is no penalty for termination if they wish to terminate the contract early.

Based on employee data review period of September-October 2022, known that there is no migrant workers or forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker. Most of the workers came from local communities. They have the recruitment process in the certification unit and is in accordance with applicable employee acceptance procedures. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker, for example:

- a. There is no retention for identity, because all labor documents for individuals are in the form of photocopies and not original items such as ID cards, diplomas, family cards and others.
- b. There is no contract substitution, because there is no worker with contract status.
- c. The freedom of workers in resigning, because if the worker wants to resign there is no understanding or prohibition from the company to the worker concerned. This is evidenced by the presence of workers who resigned to move to work and the company gave all their rights as fully resigned workers without any shortcomings.

There is no coercion in doing overtime work, workers who do overtime at the certification unit can refuse if ordered to do overtime activities because overtime is not the worker's obligation, and the certification unit also does not prohibit this.

Based on verification document, field observation, and interviews with workers and stakeholders, auditors did not see any harvester accompanied by their wife or children and any indication of forced labour. There is no threat against family members. Based on document verifications and field observations in spraying & harvesting activities at Estate and Mill operations activities, there were no forms of forced or trafficked labour are used. Besides that, there are no foreign workers who work at certification unit

#### **Ext.Scope**

Based on the employee data review period for December 2022, it is known that there were no migrant workers or forced labor. Each worker has an employment agreement that describes a specific job description, there is no substitution of contracts without prior consultation and agreement from the worker. Most of the workers come from the local community. They have a recruitment process in the unit of certification and comply with applicable hiring procedures. Each worker has an employment agreement that describes a specific job description.

There is no compulsion in doing overtime work, workers who do overtime in the unit of certification can refuse if ordered to do overtime activities because overtime is not a worker's obligation, and the unit of certification also does not prohibit this.

Based on verification documents, field observations, and interviews with workers and stakeholders, the auditor did not see any workers accompanied by their wives or children and indications of forced labor. No threats to family members. The results of interviews with KTS, KGNS, and BUMDES workers found that workers had understood the prohibition on illegal working, such as inviting relatives who had no work relationship and children under 18 years of age to help with their work. In addition, there are no foreign workers working in the unit of certification.

#### **6.6.2**

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

#### **Ext.Scope**

Based on field observations, document reviews, and interviews with representatives of management and workers at KTS, KGNS, and BUMDES found that there were no workers with PKWT status and migrant workers. The results of a study of employee data documents revealed that the employees came from the local area, namely Sinar Setiong Hamlet, Lilangan, Sekip, Limbongan, Setiong Hill, Air Near, Tanjung Batu, Liring, Air Pandan, and Balok. It is also known that the status of all employees is Permanent Employees

Status: Comply

6.7

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

6.7.1

The company established the OHS Committee (*P2K3*) which served as the persons in charge of the OHS identification, program, and implementation. The OHS Committee has been registered by Manpower Agency (Decree No. 188.4/029/P2K3/DISNAKER/2022 dated 5 April 2022). The Secretary of OHS Committee has been complied with Manpower Minister Law No. 4 of 1987, that are the OHS experts initial name BP and initial name ERJ (license valid until 30 September 2024).

The OHS Committee regularly conduct monthly meetings on OHS issues in the workplace. The documentation of the meeting was recorded and stored well. The last meeting dated 26 September 2022 commonly discussed the consistency of PPE usage, work accident report, fire simulation, monitoring house keeping, EFB transportation SOP implementation and mitigation of Covid-19.

6.7.2

The policy on OHS has issued by the President Director, General Manager of ANJ Agri on 9 January 2017. The policy indicates CH's commitment towards OHS implementation through:

- To communicate policy and OHS procedures to all employees and stakeholders which have interest.
- To comply with government OHS related regulations.
- To ensure implementation of OHS as a part of operational process.
- To identify, appraising, and control of continuous improvement in order to avoid work accident.
- To manage and monitor OHS indicators and conducting a continuous improvement.

Based on interview with workers known that they have been known about the OHS policy, for example workers are required use PPE while working and safe working practices. They also said that Field Officer perform morning briefing every day before starting work and ensure the completeness of the PPE of all workers. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Based on the results of field observations in the Estate and Mill areas, it is known that the company has installed OHS symbols, has fire extinguisher,, installed MSDS, and has Hydrant in strategic locations according to the level of danger. During the audit process the auditor team assessed that the company was encouraged to improve performance related to more informative OHS warnings/symbols not limited to symbols by considering the size. OFI.

Based on field observation also known that the foreman and specific working area has provided by first aid kit, and the foreman can demonstrate the specific first aid handling.

Ext.Scope

The Certification Unit is under the management of PT SMM in management related to First Aid. From the list of first aid workers owned by PT SMM there are 23 officers, with 2 of them responsible for the unit of certification. The results of license verification from the two officers showed that the first aid workers already had licenses, namely workers with the initials MI (license number 09 P3K/DISNAKER/2020) and RN (license number 16 P3K/DISNAKER/2020). The license has expired on January 23, 2023. In this regard, PT SMM has shown the Training Requests Form document dated January 3, 2023 which has been submitted by the EHS manager and has been approved by the President Director, and the Head



of Lead and Development. PT SMM has also shown Certificate Number 43/S.Ket/FGM/DM/II/2023 dated 5 February 2023 from PT Fresh Galang Mandiri (OHS Services) which explained that the first aid worker certification had been extended in February 2023, while the license was still in progress at the Department of Labor. Based on this, the Certification Unit has the opportunity to ensure that all OHS committee officers working in the operational area still have valid licenses. OFI

### 6.7.3

The company has set up a PPE replacement mechanism based on Internal Memo Number 008/GMO/SMM/IM/VII/2021. Furthermore, the company has provided socialization and training related to the mechanism for Replacing PPE, including when submitting an application every year. Such as replacement PPE helmet every year to harvester, google glasses, chemical mask, rubber glove every 4 months, while apron, helmet and boot every year, PPE pesticide applicator every year.

Based on field observations and interviews with workers, it is known that there are workers has understood the mechanism for replacing PPE, especially the submission of PPE with a service life of less than 12 months. The company has socialization carried out to each employee, especially regarding the procedure for replacing PPE to all employee and also has been evaluated regarding the understanding of the mechanism for replacing PPE to all employee on 18 April 2022.

In addition, the certification unit also showed samples of the PPE handover documents for 2022 through the PPE Handover Minutes document on 4 January, 2022 for safety boots. The certification unit also shows sample documents for employee PPE replacement through the Minutes of PPE Replacement document on July 19 2022, for safety boot.

Based on field observations and interviews with estate, mill and contractor employees revealed that the certification unit had provided PPE to employees in accordance with the risk assessment that had been carried out previously. PPE can also be replaced if the PPE used is damaged.

Based on field observations in the material warehouse, it is known that the certification unit has provided a stock of PPE that will be used to replace the PPE of employees who are damaged at work. Further explained that the certification unit provides a stock of PPE as much as 10% of the number of employees in each.

### Ext.Scope

Based on field observations and interviews with workers in block K02 Bumdes Tebing Tinggi, it is known that there are workers has understood the mechanism for replacing PPE, especially the submission of PPE with a service life of less than 12 months. The company has socialization carried out to each employee, especially regarding the procedure for replacing PPE to all employee and also has been evaluated regarding the understanding of the mechanism for replacing PPE to all employee on 18 April 2022.

In addition, the certification unit also showed samples of the PPE handover documents for 2023 through the PPE Handover Minutes document on 11 January, 2023 for Helmet. The certification unit also shows sample documents for employee PPE replacement through the Minutes of PPE Replacement document on September 21, 2023, for safety boot.

Based on the results of a field visit to the Tiong Sejahtera Cooperative, it is known that there is a storage area for PPE and work tools which is also a place for workers to clean themselves after work.

### 6.7.4

The certification unit has shown participation and letter of payment for Employment Assurance:

- a. Employment Assurance payment letter for 130 employees of mill for the July 2022 period which was paid on August 10, 2022.
- b. Employment Assurance payment letter for 130 employees of mill for the August 2022 period which was paid on September 9, 2022.
- c. Employment Assurance payment letter for 130 employees of mill for the September 2022 period which was paid on October 7, 2022.
- d. Employment Assurance payment letter for 1908 employees of estate for the July 2022 period which was paid on August 10, 2022.
- e. Employment Assurance payment letter for 1943 employees of estate for the August 2022 period which was paid on

September 9, 2022.

- f. Employment Assurance payment letter for 1988 employees of estate for the September 2022 period which was paid on October 7, 2022.

In addition, there is proof of membership and letter of payment of the following Health Assurance:

- a. Health Assurance payment letter for 2038 employees of PT SMM for the July 2022 period which was paid on July 5, 2022.
- b. Health Assurance payment letter for 2073 employees of PT SMM for the August 2022 period which was paid on August 2, 2022.
- c. Health Assurance payment letter for 2118 employees of PT SMM for the September 2022 period which was paid on September 5, 2022.

Based on interviews with management found that employees who experience work accidents while working, the certification unit will submit claims to the National Social Security Agency for Employment (BPJS *Ketenagakerjaan*), however based on documents verifications and interview with managements as well as workers since last assessment there is no work accidents that claimed to National Social Security Agency for Employment (BPJS *Ketenagakerjaan*),

Based on field observations and interviews with estate and mill employees, known that the certification unit has included all employees in the Health Assurance and Employment Assurance. Further explained that employees can use Health Assurance outside the certification unit's health facilities.

**Ext.Scope**

Based on document review and interviews revealed that there were no work accidents during 2022 at KTS, KGNS and BUMDES. For labor insurance and health insurance, it has been managed by PT SMM. For example, in the January 2023 period, membership of 35 workers was paid for health insurance (BPJS) on January 6, 2023. Payment for employment insurance (BPJS) for January was carried out on February 17, 2023. Payments are made using Bank Mandiri.

Based on interviews with workers in fertilization and manual upkeep activities at KTS, KGNS, and BUMDES found that workers stated that they had membership in Employment and Health Insurance. This is in line with the January 2023 salary slip examination, where there have been deductions for health and employment insurance.

**6.7.5**

The company has calculated the Lost Time Accident every month for monitoring the recording of occupational accidents. It shown the Lost Time Accident calculation per October 2022. This document informs the number of workers, number of working days, the number of non-effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and will be evaluated at monthly meeting of OHS Committee. In 2022 to dated 26 October 2022, no work accidents with fatality category.

**Ext.Scope**

The company has calculated the Lost Time Accident every month to record work accidents. This document includes nine number of workers, number of working days, number of ineffective working days, overtime, total hours worked, number of accidents, number of lost days, hours worked per year, number of accidents per year, days lost per year. SR and FR reports are reviewed regularly and will be evaluated at the monthly OHS Committee meeting. Up to December 31, 2022, there were no work accidents in the fatality category

Status: Comply

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

**7.1**

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

**7.1.1**

An IPM plan is budgeted annually which consists of detection, census and monitoring of pest and disease attacks, biological control such as installation of owl nests and planting beneficial plants. The unit of certification demonstrates the implementation and monitoring to ensure effective pest control, including those listed in the Immature Pest Attack Census Data for the period September 2022 Balok Estate Division D OP. The document describes the results of the new attack census of *Oryctes rhinoceros* and the rat infestation below the economic threshold.

The certification unit has implemented recognized IPM techniques by combining traditional, biological, mechanical, and physical methods to minimize the use of chemicals, such as using *Antigonon leptopus*, *Turnera subulata* and *Tyto alba* in biological control. This is shown in the Rat Attack Census Form documents and the Poison Application Monitoring Form, for example dated 1 September 2022 Division 10 of Sari Bunga Estate, based on this document, it is known that there were rat attacks in blocks for example D20 (9,48 %), D22 (6,32 %), E 16 (7,61 %), D15 (9,12%), E12 (9,47 %) and E20 (7.19 %) with economic threshold standard (5 %). The control has been carried out using Racumin until 4 rotations. Based on the results of the census after the application on 8 - 17 September 2022 with material Racumin (Coumatetralyl) 1487,77 MT.

Based on the results of field observations in block F22 (Barn Owl Box) Sari Bunga Estate, it is known that the owl cage is in an inactive condition where there is no visible rat droppings, feathers, and bones. In addition, during visits, for example to Sari Bunga Estate and Balok Estate, it was found that the beneficial plants *Turnera subulata* and *Antigonon leptopus* were well developed and maintained as biological methods to control nettle caterpillar and bagworms.

7.1.2

The unit of certification uses the beneficial plants *Antigonon leptopus* and *Turnera subulata* as a form of biological control for oil palm leaf eating caterpillar pests. In addition, the unit of certification also uses the owl species (*Tyto alba*) as a form of biological control for rat pests. Referring to the applicable regulations, namely Permen LHK No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016 concerning Invasive Species, *Antigonon leptopus*, *Turnera subulata* and *Tyto alba* are not invasive species.

7.1.3

Based on interviews, document verification, and field observation also revealed that there was no pest control using fire. Pest and disease control in the company only uses biological and chemical means.

Status: Comply

7.2

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

7.2.1

There is a justification for the use of all pesticides, which are listed in the SOP for Chemical Safety Instructions, document number SOP-AGR-19, valid since August 1, 2013, which among others explains how to use chemicals safely, levels of poisoning, safe storage for action. prevention, mixing (making) solutions and spraying (application), first aid and about the use of protective clothing.

In addition, the company also prioritizes products and application methods selectively specifically to handle targeted pests, weeds, or diseases, which have been regulated in the SOP for Integrated Pest Management, document number SOP-AGR-20, dated April 1, 2016, which explains the types of pesticides/ active ingredients used based on the pest. As an example:

- Nettle Caterpillar (*Setothosea asigna*)
  - *Lambda sihaltorin* at a dose of 250mL/ha
  - *Cypermethrin* at a dose of 300 mL/ha
  - *Alpha/ beta cypermethrin* at a dose of 250mL/ha
- *Oryctes rhinoceros*
  - *Cypermethrin* with a concentration of 2-3 mL/L of water and a base dose of 100 mL of solution/palm

The company also has a Weed Control SOP, document number SOP-AGR-17, dated August 1, 2013, which among other things explains the materials and use of herbicides and pesticides for selective and specific use of weeds, pests, and diseases. For example, at the age of 3 years to control weeds in discs, path and FFB collection point use herbicides with

the active ingredients Glyphosate, *Glyfosinate*, *Fluroxipir* or *Methyl Metsulfuron* according to the recommended dose or product label using a knapsack sprayer and nozzle VLV 200 with a rotation per year 4 x a year, the type of pesticide used per weed type.

The certification unit has shown the SOP for the Safe Use of Pesticides. The purpose of the procedure is that workers handling pesticides are always aware of the magnitude of the danger of poisoning and the level of health risk due to their work activities, in addition to carrying out safe and appropriate operational performance related to the use of pesticides in accordance with the instructions for use. The contents of the procedure include the level of material hazard based on WHO class, level of poisoning based on LD50, statement of material hazard, color and hazard symbols and danger signs.

#### 7.2.2

The certification unit shows a record of pesticide use for the period 2021-2022. The document explains the name of the pesticide, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the purpose of using the pesticide. The document explains that the certification unit uses 11 types of pesticides, including: Roundup, Lindomin, Trendy 20 WP, Dwistik, Basta and Dithane 45 WP. For example, Roundup with the active ingredient Kallium glifosat, concentration 660 g/lg, LD50(mg/kg) >9041 registration number RI. 01030120134713 valid until April 16, 2023, WHO class III pesticide targeting after-growth systemic pesticide. The total use of the Garlon 670 EC for the January-September 2022 period is 2,266.30 liters.

#### Ext.Scope

The unit of certification shows records of use of pesticides for the period 2021-2022 for plasma/Estate partnerships. The document describes the pesticide name, active ingredient, concentration, LD50, registration number and distribution permit period, WHO class, and the intended use of the pesticide. The document explains that the certification unit uses 11 types of pesticides, including: Roundup, Lindomin, Trendy 20 WP, Dwistik, Basta and Dithane 45 WP. For example Roundup with the active ingredient Kallium glyphosate, concentration 660 g/lg, LD50(mg/kg) >9041 RI registration number. 01030120134713 valid until 16 April 2023, WHO class III pesticides target post-emergence systemic pesticides. The total use of Round Up for the January-December 2022 period is 977 liters.

#### 7.2.3

As part of reducing the use of pesticides, the company has integrated biological control in pest control, for example by using beneficial plants aimed at controlling oil palm leaf eating caterpillar and *Tyto alba* for controlling rats' pests and weeds and pests without using chemicals. The company shows data on the use of beneficial plants, for example on Sari Bunga Estate species *Turnera subulata* January until September 2022 is 800 trees, *Antigonon leptopus* is 10 trees. Based on the results of field visits, for example at the Sari Bunga Estate and Air Ruak Estate, it is known that the company has planted and taken care of plants such as *Turnera subulata* and *Antigonon leptopus* as a habitat for *Sycanus sp.* In addition, the company uses a pesticide rotation system so that pesticides and herbicides are not used continuously and will cause resistance.

#### 7.2.4

There is no preventive use of pesticides for the prevention of pests and diseases (prophylactic use). The use of pesticides based on census results that exceeds the economic threshold. This is shown in the Rat Attack Census Form documents and the Poison Application Monitoring Form, for example dated 1 September 2022 Division 10 of Sari Bunga Estate, based on this document, it is known that there were rat attacks in blocks for example D20 (9.48 %), D22 (6.32 %), E 16 (7.61 %), D15 (9.12%), E12 (9.47 %) and E20 (7.19 %) with economic threshold standard (5 %). The control has been carried out using Racumin until 4 rotations. Based on the results of the census after the application on 8 - 17 September 2022 with material Racumin (Coumatetralyl) 1487,77 MT.

#### 7.2.5

Attached are the active ingredients that are prohibited and limited according to the above classification in the Internal Memo from the General Manager, Ref. No. 056/GM/SMM/IM/XI/2016, dated November 3, 2016, regarding Monitoring the Use of Paraquat Pesticides and the Prohibition of the Use of Pesticide Active Ingredients to All Estate Managers. In summary, it is conveyed not to use paraquat, a WHO class 1A, 1B classification chemical, the Rotterdam Convention, and the Stockholm Convention in operations. Also attached are the active ingredients that are prohibited and limited according to the above classification.

The company shows documents on the use of chemicals, grams of active ingredients per ha and per ton of FFB for the period 2020-2021. Based on these data, there is information on the use of Racumin which is based on the results of the census.

The use of the active ingredient (Coumatetralyl) is based on the results of the census that have passed the threshold value set by the company, namely >5% for blocks without *gupon* (barn owl box) and >10% for blocks with owl applications. Based on the results of field observations in chemical warehouses in Balok Estate, Sari Bunga Estate and Air Ruak Estate, it is known that there is no paraquat.

#### 7.2.6

Pesticides are handled, used or applied only by persons who have completed the required training. This is shown in the training recordings shown, including:

- Training Spraying on 11 April 2022, attendance by 29 spraying operators of Sari Bunga Estate.
- Training Spraying on 18 April 2022, attendance by 32 spraying operators of Balok Estate.
- Training Spraying on 9 May 2022, attendance by 30 spraying operators of Air Ruak Estate.
- Spraying calibration on October 5, 2022, in block D13 Sari Bunga Estate, which was attended by 19 participants.

Based on field observations and interview with herbicide application activities in block R33 Balok Estate, it is known that pesticides are applied according to product labels, such as the use of complete PPE in the form of carbon masks, rubber gloves, aprons, and boots. Mixing is done in a special mixing place located in the agrochemical warehouse. Then, for filling pesticides into the knapsack sprayer, it is accommodated with a bucket so as not to pollute the soil. For the transportation of pesticides, it is carried out by special officers using baskets to be launched into the field. All warning information affixed to the product is properly observed, implemented, and understood by workers. The agrochemical warehouse is equipped with the appropriate hazard symbols and an MSDS is also available.

#### Ext.Scope

The company has shown OHS training documents (including handling pesticides) for pesticide applicator workers in each partnership, which are as follows:

- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization on prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers at the Tiong Sejahtera partnership which was held on January 25 2023. This activity was attended by 9 participants.
- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization of prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers at the Gunung Nyerundong Sejahtera partnership which was held on January 24, 2023. This activity was attended by 16 participants .
- Training/socialization of OHS, OHS policy, environmental policy, HIRARC, and socialization of prevention of forest and land fire prevention funds to harvesters, spray employees, fertilizers in the Bumdes Balok Sejahtera partnership which was held on January 23, 2023. This activity was attended by 5 participants .

#### 7.2.7

Based on field visits and interviews, it is known that the waste of used pesticide container has been managed in accordance with regulations and procedures, namely stored in a special place (temporary hazardous waste warehouse) which has been permitted by government. During observation if housing complex, estate area and warehouse area, there were no traces of pesticide packaging made irresponsibly.

#### 7.2.8

The certification unit has SOPs and work instructions related to hazardous waste management which are contained in the SOP for Waste Management Plan with document number SOP-EHS-008 dated 29 April, 2017 rev. 02. This procedure describes the identification and management of waste generated from the company's operational activities, including agrochemical packaging waste.

This waste (used pesticide packages) is categorized as hazardous waste that cannot be reused. The treatment for this waste is stored in a licensed hazardous temporary storage area and will be processed by a company that has the legality

to process it.

Based on interviews with employees and the foreman of pesticide application Sari Bunga Estate, Air Ruak Estate, Balok Estate, and Jangkang Estate it is known that all pesticide packaging is collected at the designated storage area and the company coordinates with collectors to recycle and not be used for purposes other than pesticide application activities with documented and traceable. The results of the observation to the housing revealed that there were no used pesticide packages used by employees for other purposes

7.2.9

Based on the interviews with management representatives and local community, it is known that the certification unit does not apply pesticides by air.

7.2.10

The company has list of pesticide operator for every Estate. However, the latest medical check up examination conducted on 2019, for 2020-2021 hampered by Covid 19 pandemic. The company shown Decree of Employment Minister (No. M/7/AS.02.02/V/2020 dated 20 May 2020), stated that all legal entity shall postponed the medical examination to support state program in Covid-19.

Related to this, the company has also made efforts to carry out medical examinations for pesticide applicators, OHS experts show a clinical management plan document that explains the plan for a health check to be carried out in November 2022, the company also shows a medical equipment order document for health examination activities that will be held on November 2022.

Ext.Scope

PT SMM has shown a special health inspection plan document to all pesticide operators in the partnership. The plan is contained in the PT SMM Employee Special Inspection Schedule document for 2023. Based on this document, it is known that the health inspection plan for pesticide applicators in partnership plantations will be carried out on 26-28 February 2023.

7.2.11

The company has an Internal Memo from General Manager No. 073/GM/12-2013 dated 11 December 2013 concerning Protection of the reproductive rights of female employees explaining that in accordance with SOP-EHS-001, it was conveyed that female workers who were pregnant and breastfeeding (until the baby was 9 months old) prohibited from carrying out spray activities or other work related to chemical contamination.

Based on field visit, there was no spray activity during the audit, but pesticide operator was transferred to upkeep activity. Interview with the management, it was known that there are 6 spray workers who are pregnant during the 2022 period. Furthermore, workers have been transferred to jobs that are not heavy or have the potential for chemical exposure, based on verification document. Then, interviews with pesticide operator, it is known that there is no pesticide operator who are pregnant. Workers also understand about prohibition on working in chemical areas while pregnant.

Ext.Scope

Based on the results of interviews with maintenance workers (including fertilizers and sprays) in block K02 Bumdes Tebing Tinggi, it is known that the company does not allow pregnant or lactating women to work in fields of work related to chemicals. If there are workers who are pregnant, the workers will be transferred to jobs that are not related to chemicals.

Status: Comply

7.3

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

7.3.1

The certification unit already has SOPs and work instructions related to waste management which are contained in the following document, such as;

- SOP for Waste Management Plan with document number SOP-EHS-008 dated 29 April, 2017 rev. 02. This procedure describes the identification and management of waste generated from the company's operational activities, make efforts to reduce, reuse and control based on applicable regulations and the latest environmentally friendly implementation, for example:
  - Identification of waste sources; such as hazardous waste, solid and liquid waste, infectious waste form medical activity in clinic, domestic waste, and emissions from vehicles also from immovable source of factory activity
  - Utilization of waste from several types of waste that are reused such as empty fruit bunches, shells, and POME for land application.
  - Waste that cannot be reused must be monitored and made hazardous storage and cooperate with third parties for its management
  - Measurement and monitoring such as emissions from boilers will be tested by a certified laboratory and reported in the RKL/RPL document regularly.
  - There is a waste management flow, such as solid waste such as empty fruit bunches that will be applied as land nutrition and shell and fiber as boiler fuel. For POME will be applied to the land application. Domestic waste will be made into compost for organic waste and inorganic waste will be disposed of in the Final Disposal Site
- SOP for Hazardous Waste Management with document number SOP-EHS-009 dated 29 April, 2017 rev. 01. This procedure describes management of hazardous waste, apart from having a Government Regulation as a reference, must also be managed responsibly by the company so as not to pollute the environment. Hazardous waste is identified and storage according to the type of waste and its characteristics.
- SOP for Domestic Waste Management with document number SOP-EHS-17 dated 15 November, 2021. This procedure describes 3R (reduce, reuse, recycle) concept is an effort to manage non hazardous waste, including domestic and based on mill activity. This process includes waste collection and segregation, treatment and utilization (landfill, composting, ecoenzyme, and ecobricks), measurement and monitoring, and reporting also for monitoring.

#### Temporary Storage Permit for Hazardous and Toxic Waste

In accordance with the *Keputusan Kepala Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu* Belitung Timur Regency No. 503/004/IPS LB3/DPMPTSP/IX/2019 concerning Permits for the Management of Hazardous and Toxic Waste PT Sahabat Mewah Makmur in Jangkang Village, Dendang Subdistrict, Belitung Timur Regency, Kepulauan Bangka Belitung Province on January 8, 2018 with a validity period of 5 years from the date. With types of waste allowed to be stored in storage area, are used oil, used batteries, used filters, used LED lamps, contaminated waste, contaminated rags, used hazardous packaging, used ink packaging, used toner, used solvents, clinical waste, and expired pharmaceutical products.

Hazardous waste is stored in the main located in Jangkang Village with coordinates S 02°59'45.1" E 107°52'37.2", are also comes from storage located in each division unit, including; Sari Bunga Estate, Air Ruak Estate, Ladang Jaya Estate, Balok Estate, Tanjung Resing, Jangkang Estate, and Jangkang Mill

Based on the results of field observations carried out in the central hazardous dan toxic waste storage area, it shows that the company has carried out hazardous dan toxic waste management by installing emergency response facilities such as fire extinguishers, first aid kits, alarm, eye wash, shower and other equipment such as coordinate points, warning boards and installing symbols and labels according to the type of waste stored. In addition, there is also a waste recording logbook for monitoring amount of waste in storage. Hazardous waste also handled properly by disposed based on each toxicity and hazardous characteristics, such as medical waste which is classified as infectious.

In its implementation in the field, the company has a Cooperation Agreement with a third party licensed to handle hazardous and toxic waste from PT SMM and PT PRIMANRU for the collection, handling, transportation of hazardous waste with No. 027/LGL/MOU/PMJ-SMM/1/2022 which was made on 17 January, 2022. Whereas for the management, utilization and/or processing of waste, PT Primanru cooperates with a licensed party, namely PT Pengolahan Limbah Industri Bekasi, with cooperation agreement document No. 184/SMM-MOU/SMM-PMJ-PLIB was made on 25 January, 2022. The agreement also explains that the types of B3 waste to be submitted are as stated in the license.

The domestic waste generated is separated from organic and inorganic, for organic waste is used for compost, while inorganic is disposed of in the Final Disposal Site.

Based on the results of field visits in the residential areas of Balok Estate, Sari Bunga Estate, Air Ruak Estate, it is known that the housing facilities and infrastructure are in good condition and maintained, garbage collection is carried out regularly and clean Friday activities. However, based on the results of field visits to the landfill area in Balok Estate and Sari Bunga Estate, it is known that organic and inorganic domestic waste is dumped in the same hole. Meanwhile, Air Ruak Estate is not fully managed in a landfill. Therefore, companies are encouraged to ensure that the implementation of domestic waste management is in accordance with the procedures they have. OFI

7.3.2

The company already has a document on the results of monitoring the implementation of hazardous and toxic waste management procedures according to PP No. 22 of 2021 which is contained in several documents, including:

- Document of hazardous waste source identification results for the 2022 which provides information regarding the sources of hazardous and toxic waste that have been identified by the company, either from the plantation or from the mill.
- Balance Sheet and Logbook for storing hazardous and toxic waste at the storage area.
- Conducting socialization of hazardous and toxic waste management to employees, which held on October 13, 2022 and September 30, 2022
- OHS Completeness Monitoring Document for the period 2022 which informs the condition and completeness of emergency response facilities in storage areas, such as first aid kits, eye wash and shower checks, fire extinguishers, spill kits and alarms. The monitoring results show that all equipment is in good condition and in accordance with company SOPs.

From the results of the document review by comparing the balance sheet and logbook, it can be seen that the submission of waste to storage for September 2022 was appropriate and there was no difference in the amount submitted. Thus it can be concluded that there are no recording errors and discrepancies based on the Balance Sheet, Logbook and Festronik documents, this indicates that the company has properly documented the storage and handling of hazardous and toxic waste. Management of domestic waste by dumping it in a landfill area. From the results of field visits in the landfill area, it is used for non-organic waste, the organic waste is composted.

The results of interviews with workers and the community living in the company's area also stated that there are trash bins and routine transportation carried out by management.

7.3.3

The unit certification does not use open burning for waste disposal. It can be proven through document review and management interviews, that the company has a SOP Waste Management Plan document with No. No. SOP-EHS-008 rev. 01 dated 29 April 2017. The scope of this procedure is for factories, estates, housing, and offices at PT SMM, as a reference for handling agrochemical waste including used pesticide packaging, palm fronds, liquid waste, empty bunch fruit, solid decanter waste, hazardous waste, household (domestic) and office waste. The procedure also described that they have commitment to do not open burning and waste management based on the 3R principle; Reduce, Reuse, and Recycle.

It is also proven through the waste transportation manifest and the results of field observations in housing area that there were no traces of burning activities. Interviews with employees who live in the housing estate in Balok Estate, Jangkang Estate, and Air Ruak Estate also stated that they had never burned waste due company commitment.

Status: Comply

7.4

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

7.4.1

The certificate holder already has a procedure related to fertilization activities contained in the procedure of Fertilizer (No. Doc. SOP-AGR-11) which includes technical fertilization, empty fruit bunch application and compost application on immature plants and mature plants. The procedure also explains when and how the application of fertilizer in the field.



The unit of certification shows a record of the implementation of practices according to established procedures, including:

- Preparation of fertilizer recommendations based on leaf and soil nutrient levels in 2021/2022 and the results of field observations including symptoms of nutrient deficiency in plants, which are described in indicator 7.4.2.
- Application of organic fertilizers (mill waste) such as empty fruit bunches and palm oil mill effluent, which is described in indicator 7.4.3.
- Documentation of fertilizer recommendations and realization in 2021/2022, which is explained in indicator 7.4.4.

The procedure also establishes many strategies for maintaining and increasing long-term soil fertility, by combining efficient and measurable organic fertilization, taking into account the age of oil palm and soil nutrients by taking leaf and soil samples.

The certification unit shown the program and the realization of *anorganic* and organic fertilization application for period January until September 2022. Based on document review and interview with the staff, the realization of fertilization in Balok Estate, Sari Bunga Estate and Air Ruak Estate is in accordance to the program.

#### 7.4.2

There are records of leaf and soil sample analysis activities on a regular basis to monitor and manage changes in soil fertility and plant health, which are shown as follows:

- The Soil analysis is done every 5 years, for the last soil analysis has been done accordance test Result Report from the Testing Laboratory of the PT Nusa Pusaka Kecana Analytical & QC Laboratory, the date of completion of the test is 11 April 2019, the type of soil sample, the number of samples is 18, with testing parameters pH, % N, % C-Org, Na, K, Ca, Mg, textures and more.
- The leaf analysis is done every year, for the last leaf analysis has been done accordance Certificate Number 1.052.4.1/03/22, order number 029/GMO/SMM/R&D/03/2022, PT SMM, type of leaf sample, analysis date March 25, 2022, analysis of N, P, K, Mg, Ca, B and Cl report date April 5, 2022.

#### 7.4.3

The Nutrient recycling strategies are available, which include recycling empty fruit bunch, mill liquid waste and optimizing non-organic fertilizers, which are included in the Management Plant 2022 Balok Estate document which explains the plan and realization of composting applications. Based on the document, for 2022 4.355 MT are planned for application and 3.567 MT have been realized until September 2022. For Balok Estate, up to September 2022, 3,875 tons have been applied from 3,134 tons in Division 17.

Based on the results of document verification and interviews with company representative it is known that the dose per plant is 50 kg per tree.

The unit of certification shows a record of the strategy for recycling nutrients through mill POME, some of which are listed in the 2022 POME to Land Application Report, which explains the number of flat beds applied, volume to land application, total volume to land application (m<sup>3</sup>). For example, for the period of September 2022, volume to land application was 39,544 m<sup>3</sup> on land application 182,7 Ha.

#### 7.4.4

The unit of certification shows a record of fertilizer use, as shown on Estate 2022 Fertilizer Realization and Program document, which briefly describes fertilizer recommendations, for example:

Sari Bunga Estate

- Urea: recommended 285,659 MT and 251,620 MT has been realized (application period January to September 2022).
- MOP Semester 1: recommended 316,123 MT and 180,599 MT has been realized (application period January to September 2022).
- Mycogold recommended 20,786 MT and has realized 17,105 MT (application period January to September 2022).
- RP: recommended 273,963 MT and 262,468 MT has been realized (application period January to September 2022).

Records of the use of fertilizers are also shown in other documents, such as in the Balok Estate listed in the Recapitulation of the Progress of Fertilizing Air Ruak Estate, which briefly describes the realization of RP, Urea, MOP and Dolomite fertilization, namely 97.60 %, 98.80%, 98.98 % and 98.70 %.

Fertilizer records are also included in the weekly report on immature Jangkang Estate Fertilization for the period of September 2022, for example in Division B for the type of Urea fertilizer, it is known that the fertilizer recommendation is in block M 25, a dose of 1 kg per tree.

**Ext.Scope**

PT SMM has shown the fertilization plan and realization documents for the partnership estate for the 2022 period. Based on the 2022 fertilization recommendations it is known that there are 2 types of fertilizers used, namely urea and MOP. The realization of fertilization is in accordance with the plan, while the data is as follows:

- Urea : 190.07 tons (100%)
- MOP : 52.50 tons (100%)

Status: Comply

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

**7.5.1**

The company has a Semi detail Land Map with a scale of 1: 50,000 which explains the types of land in the company's area. Dominant sandy soil type and no peat soil types. The existing land slope is dominant between 0-8%. There is an 8-15% slope (wavy) covering an area of 543 Ha and a slope of 16-25% (hilly) covering an area of 401 Ha. There is no steep slope area (>40%) in the company area. The cooperative has a Soil Analysis Report with a scale of 1: 2,000 dated May 1, 2015. The document equipped with legend soil map units, roads, rivers, estate boundary and division boundary.

**Ext.Scope**

The company has shown a map of land types for the PT SMM partnership estate including KTS, KGNS, and Bumdes Tebing Tinggi with a scale of 1: 230,000. Based on the map, it is known that the soil type in all partnership estates is Podzolic soil type and there is no peat soil. A slope class map has also been shown for each partnership estate as follows:

- KTS Slope Map with a scale of 1: 7,500 based on the document it is known that the slope class of the land is 0-5 Degrees
- KGNS Slope Map with a scale of 1: 12,500 based on the document it is known that the slope class of the land is 0-9 Degrees
- Bumdes Tebing Tinggi Slope Map with a scale of 1: 7,500 based on the document it is known that the slope class of the land is 0-5 Degrees

**7.5.2**

The oil palm replanting is not carried out extensively on land with steep slopes according to applicable regulations. The company has a slope management procedure in the SOP for Soil and Water Conservation, document number SOP – AGR – 05 revision 3, dated April 1, 2016, which stipulates that land with a slope class above 40% is designated as a conservation area. While slopes below 40% can still be cultivated with certain management strategies, including making *tapak kuda* (individual terrace) on land with a slope above 15%, making continuous terraces (contour terraces) on sloping and very sloping land, making trenches on low and planting vetiver grass and Guatemala grass.

During the replanting activities, the company makes terrace on areas with slopes. Based on the results of the study of the soil type map document, it is known that the land slope class is between 0 – 40%, in addition, based on field observations in the replanting area for the year 2022, it is known that there is no extensive replanting activity in the area with steep slopes.

**Ext.Scope**

Based on the results of a study of the areal statement documents of KTS, KGNS, and DBD as well as interviews with company representatives and plasma/partnership representatives, it is known that the year of planting in each partnership is 2012-2014, so there is no plan for replanting oil palm.

7.5.3

Based on the results of the document review, interviews with management and field observations at SBE, ARE and BLE, it was found that there were no new oil palm planting activities.

Ext.Scope

In accordance with the explanation of the land slope class map described in indicator 7.5.1 it is known that there are no areas with steep slopes in each partnership estate.

Status: Comply

7.6

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

7.6.1

The company has a Semi detail Land Map with a scale of 1: 50,000 which explains the types of land in the company's area. Dominant sandy soil type and no peat soil types. The existing land slope is dominant between 0-8%. There is an 8-15% slope (wavy) covering an area of 543 Ha and a slope of 16-25% (hilly) covering an area of 401 Ha. There is no steep slope area (>40%) in the company area. The cooperative has a Soil Analysis Report with a scale of 1: 2,000 dated May 1, 2015. The document equipped with legend soil map units, roads, rivers, estate boundary and division boundary.

Based on the explanation above, it is concluded that the certification unit already has maps that identify marginal land, including land with steep slopes.

Based on documents review of area statement, field visits at Sari Bunga Estate, Jangkang Estate and Balok Estate, it is known that the company did not expand of the operational area and there is no more land clearing activity. The Company only doing the replanting activities since 2015.

7.6.2

Based on documents review of area statement, field visits at Sari Bunga Estate, Jangkang Estate and Balok Estate, it is known that the company did not expand of the operational area and there is no more land clearing activity. The Company only doing the replanting activities since 2015.

7.6.3

Based on documents review of area statement, field visits at Sari Bunga Estate, Jangkang Estate and Balok Estate, it is known that the company did not expand of the operational area and there is no more land clearing activity. The Company only doing the replanting activities since 2015.

Ext.Scope

The company has shown a map of land types for the PT SMM partnership estate including KTS, KGNS, and Bumdes Tebing Tinggi with a scale of 1: 230,000. Based on the map, it is known that the soil type in all partnership estates is Podzolic soil type and there is no peat soil. A slope class map has also been shown for each partnership estate as follows:

- KTS Slope Map with a scale of 1: 7,500 based on the document it is known that the slope class of the land is 0-5 Degrees
- KGNS Slope Map with a scale of 1: 12,500 based on the document it is known that the slope class of the land is 0-9 Degrees
- Bumdes Tebing Tinggi Slope Map with a scale of 1: 7,500 based on the document it is known that the slope class of the land is 0-5 Degrees

Based on the results of interviews with management representatives of PT SMM, it is known that the entire partnership estate is fully managed by the company. Based on the results of a study of the area statement documents and management explanations, it is known that the company is not carrying out new planting activities of oil palm in new areas or existing areas.

Status: Comply

<p><b>7.7</b>  <b>No new planting on peat, regardless of depth after November 15<sup>th</sup>, 2018 and all peatlands are managed responsibly.</b></p>	
<p><b>7.7.1 until 7.7.7</b>            Based on the field observations, interviews, and document verification during the onsite audit, it was found that there was no new development/ planting. Oil palm was planted between 1992 until 2021. For planting above November 15, 2018 is a replanting activity.</p> <p>Based on verification of soil survey semi-detailed study conducted Center for Soil Research Center, Ministry of Agriculture on June 2014 there is no area with peat soil types, soil on certified area. The dominant soil classification (<i>USDA,2010 and government soil research center 1983</i>) is <i>entisols and Inceptisol</i>.</p> <p>Based on the field observations, interviews, and document verification during the onsite audit there is no peat area in the certification unit area.</p> <p><b>Ext.Scope</b>            The company has shown a map of land types for the PT SMM partnership estate including KTS, KGNS, and Bumdes Tebing Tinggi with a scale of 1: 230,000. Based on the map, it is known that the soil type in all partnership estates is Podzolic soil type and there is no peat soil.</p>	
	<p>Status: Comply</p>
<p><b>7.8</b>  <b>Practices maintain the quality and availability of surface and ground water</b></p>	
<p><b>7.8.1</b>            The certification unit has a water management plan that is implemented to support efficient use of water sources and continuous availability. To avoid negative impacts on other users in the water catchment area, the company carried out activities, including: prohibiting the planting of oil palm on the river border, prohibiting land cultivation on the river border by installing notice boards, cultivation without spraying around the river, manual maintenance. Through a map of the HCV area with a scale of 1:50,000, it is described that the type of HCV in operational area of PT SMM is a river border.</p> <p>The company has a surface water quality monitoring program contained in the RKL-RPL matrix and POME management which is managed and reported periodically, for the period semester I 2022. Surface water quality testing is carried out by the laboratory that has been accredited by KAN, at nine four (9) sampling points in each downstream and upstream.</p> <p>If referring to the quality standard used by the testing laboratory, namely using PP No. 22 of 2021 then all parameters are applicable quality standards. Although the river water quality is fluctuating, due to influence by community activities along the river border. Based on the information above, the company also does more effort to manage surface water. Some of the management activities that have been carried out by the company to avoid negative impacts on other users in the catchment area, include:</p> <ul style="list-style-type: none"> <li>• Establishment of a riparian buffer zone/river border area and make the area an HCV area</li> <li>• Planting trees on riverbanks with plant types including Akasia Trembesi, Sengon Merah, and Ketapang Kencana with totaling 2,335 trees until 2022</li> <li>• Conducting socialization to the community, employees and contractors in the company area</li> <li>• Installing information boards for activities limited to HCV areas, such as; prohibition of burning, hunting and maintaining cleanliness</li> <li>• Regular monitoring of river riparian areas</li> </ul> <p>The certification unit has also provided unlimited access to the availability of clean water in housing facilities that can be utilized by the community and workers. This is evidenced by the availability of reservoirs and water treatment in the emplacement which is monitored for quality with the Hygiene Sanitation Water parameter of the Minister of Health of the Republic of Indonesia No. 32 of 2017 at Jangkang Estate, Joseph Jaya Estate, Bentayan-Jangkang Estate, Balok Estate, Air Ruak Estate, Sari Bunga Estate. From the tests carried out in the first semester of 2022, none of the test results exceeded the predetermined quality standards so that the water was suitable for use.</p>	

**7.8.2**

The certification unit has a policy regarding Conservation which is regulated in the MAN-CSV-001 document dated October 1, 2018, including for river border areas, including irrigation canals and water catchment areas, with the aim of;

- Maintain the availability of water sources for the company
- Maintaining the balance of the ecosystem

With a management strategy in the form of:

- Set the water flow
  - Large rivers (water flow width >30 m, the river border width is set at 100 m on each side of the water flow body
  - Small river (water flow width <30 m, the river border width is set at 50 m on each side of the water flow body
  - The water flow is not permanent or the drainage is set at 5 m wide between the seedlings of the water flow body and the nearest oil palm tree as a buffer zone
  - Swamps or other former activities, designated 50 m as a buffer zone around it
- Make area marking by installing HCV area boards, prohibiting activities
- Routine surveillance and patrols
- Manual maintenance of oil palm trees in border areas, not using chemicals to prevent river pollution
- Periodic river water quality testing
- Socialization to employees and the surrounding community
- Planting of vertivers, controlled legumes, and intercropping of riverbanks where vegetation has been converted to oil palm plantations.

The company has documents on water management and maintenance of water sources for the period of 2021. These include:

- ❖ Report on the Implementation of the Environmental Management Plan (RKL) and Environmental Monitoring Plan (RKL) which contains management and monitoring of surface water (rivers) in plantations, namely the Aik Belas River, Balok River, and Lenggang River which are carried out every semester.
- ❖ Report on the Implementation of Management and Monitoring of PT SMM KBKT in September 2022 which contains the management of all river borders in all operational areas, activities that have been carried out which have been carried out:
  - Maintenance and installation of QR code on jungle track
  - River border plant care
  - HCV signboards installing and self declared conservation areas
  - Establishment of a biodiversity information facility
  - Seedling of woody plants
  - Greening of buffer zones and self declared conservation areas
  - HCV patrol monitoring
  - Camera trap monitoring
  - Conduct direct outreach to workers and the community
  - Implementation of conservation projects; ANJ Peduli Keanekaragaman Hayati (PENDAKI), Pendidikan Saka Kalpataru, BENTARA (Belitung Integrated Alternative Tourism)

Based on the results of field observations in the conservation area, the Lenggang River Border Block D18 Division 10 at Sari Bunga Estate, the Tedong River Border Block C62 Division 17 at Air Ruak Estate, as well as the water source reservoir in the Balok Estate there are no traces of chemical application, there is HCV board, the river border is not planted and there is natural vegetation, with a border width of 50 meters, there is a spray limit in the reservoir area, and planting of wood plant areas as an effort to enrich and rehabilitate the river.

**7.8.3**

Management of POME from oil palm processing from the Jangkang POM are returning 3 waste ponds with a single feeding system consisting of a cooling pond, anaerobic pond, and aerobic pond. Before being used, the liquid waste is processed until it reaches the standard for wastewater utilization palm oil plantation, with pH 6-9 and BOD 5000 mg/l POME is managed in accordance with applicable national regulations, according KepmenLH No.28 & 29 of 2003 regarding

Technical Guidelines for Assessment of Wastewater Utilization from Palm Oil. Wastewater from the WWTP pond outlet is then pumped and used as a designated location for the use of waste water on the ground (Land Application). Permit for the utilization of POME for Land Application is from the authorized agency in the form of DPMPSTP Belitung Timur Regency No. 503/001/PAL/DPMPSTPP/V/2019 dated 28 Mei 2019 valid for 5 years and used to irrigate an area of 182.76 ha.

Unit of certification can show documents regarding the results of the measurement of the quality of POME, namely the RKL-RPL Implementation Report per quarter which includes the results of the measurement of the quality of POME every month and land application monitoring well. The test is carried out by the laboratory which has been accredited by KAN (LP-195-IDN). Based on the analysis of the test document, it shows that all the parameters tested are in accordance with the applicable quality standards and for waste water utilization to be applied to land.

The results of field observations in the WWTP of Jangkang POM also show that the company has carried out POME management in accordance with the regulations and procedures it has, there is no potential for contamination to water bodies, and has a functioning flowmeter. The results of interviews with operator also showed that the informants had sufficient understanding of procedure. While the results of field observations on the land application area in Block P27 it is known that the POME has been applied to the land according to permit, and there is no indication of runoff caused pollution to environmental.

The results of interviews with representatif of Jangkang village also obtained information that there were no complaints related to the waste produced by the company.

**7.8.4**

The water usage for FFB processing has been monitored and documented. The document of water usage in period of January – September 2022 shown that the water usage ratio in the range of 0.91 m<sup>3</sup>/ton of FFB, this range is still in accordance with the water quotas that can be utilized in permit based on the decision of the Head of DPMPSTP of Kepulauan Bangka Belitung Province No. 188.4/70/DPUPR/DPMPSTP/2018 dated June 4, 2018, that is ± 54.000 m<sup>3</sup>/month. The unit certification also paid of water usage retribution every month for the entire scope of certification

From the results of management interviews and field observations to the Water Treatment Plan (WTP) it can be confirmed that the flowmeter used is still functioning properly, and the officer responsible for WTP is very understanding about how the WTP works and recording flowmeter data. Officers can also show data in and out of water which is recorded every day.

Status: Comply

**7.9**

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

**7.9.1**

The Certification Unit utilizes solid waste to increase the efficiency of the use of fossil fuels and to optimize renewable energy which can be proven by records of the implementation of solid waste utilization. This can be shown in the document recapitulation of waste utilization for the period January-September 2022, with the following data as follow:

Description	Unit	TOTAL
FFB Process	Ton	250,41506
Shell used	Ton	26,745
Fiber used	Ton	31,302
Solar for genset	liter	874
Total energy from turbin	kWh	5,006,910
Total energy from genset	kWh	3,250
Total energy from shell and fiber used	KWh/Ton FFB	5,412

Based on the results of interviews and document verification, it shows that all solid waste in the form of shells and fiber is used to substitute diesel fuel, this utilized, and the usage data recorded in detail and traceable. For example, the company

shows data on the use of shells and fiber as a substitute for fossil fuels for the period 2022. From this data, it is known that the company has saved 98% of diesel fuel, of the total diesel that should have been used as evidence of energy efficiency produced from used of renewable energy.

The certification unit also has made efforts to improve the efficiency of the use of fossil fuels in the transportation area (use of vehicles), among others by carrying out regular maintenance to reduce incomplete combustion and analyzing fuel use by selecting efficient transportation routes.

Status: Comply

7.10

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

7.10.1

Certification Unit has been conducted source identification and GHG valuation by doing GHG inventory within the scope of Jangkang Mill and its supplies based monitored through Palm GHG Calculator 4.0 and the summary result reported and accessible to public in RSPO website. The company has identified the significant GHG emissions, including: land used change, POME processing, electricity usage, used of fertilizers and pesticides, used of fossil fuels for operations and transportation.

Also made several mitigation plans to control the impact among GHG emission, such as: the right dose of fertilizer use and application as recommended, reduction of reuse and recycling actions, restrictions on electricity use, transportation and machine maintenance, and periodic air quality tests.

Reduction of fossil fuels at Jangkang Mill has been implemented by using fiber and shells. The company also uses POME with test results from the monitoring, showing that all wastewater testing parameters have met the applicable quality standards. Based on the review of documents for example: monitoring of pesticide use, monitoring of diesel fuel, identification of HCVs and others it is found that accurate data have been entered into the RSPO palm oil GHG Calculator. GHG calculation using palm GHG Calculator 4.0. The summary of GHG emissions for the period January – December 2021, is listed as follows:

Summary Emissions

Description	Value	Unit	Description	Value	Unit
CPO	0.61	tCO <sub>2</sub> e/tProduct	Oil palm planted on mineral soil	15220.93	Ha
PK	0.61	tCO <sub>2</sub> e/tProduct	Oil palm planted area on peat	0.00	Ha
PKO	0.00	tCO <sub>2</sub> e/tProduct	Total oil palm planted area	15220.93	Ha
PKE	0.00	tCO <sub>2</sub> e/tProduct	Conservation area (Forested)	1100.46	Ha
OER	21.45	%	Conservation area (non-Forested)	195.68	Ha
KER	4.78	%	FFB Production per hectare	21.12	t/ha

Mill Emissions and Credits & Emissions from Palm Kernel Crusher

Mill Emissions and Credits			Emissions from Palm Kernel Crusher	
Emission Source and Credits	tCO <sub>2</sub>	tCO <sub>2</sub> e/t FFB	Emission Source	tCO <sub>2</sub> e
POME	29205.82	0.09	PK from own mill	0.00
Fuel Consumption	135.13	0.00	PK from other sources	0.00
Grid Electricity Utilization	393.79	0.00	Fuel Consumption	0.00
Export of Excess Electricity to Housing & Grid	-7608.16	-0.2	Total Crusher Emissions	0.00
Sale of PKS	-3300.00	-0.1		
Sale of EFB	0.00	0.00		
Total	18826.58	0.6		

Estate / Plantation Field Emissions and Sinks

Description	Emission (tCO <sub>2</sub> e)			TOTAL
	Own	Group	3rd Party	
<b>Emission Source</b>				
Land Conversion	115617.83	8490.64	0.00	124108.48
CO <sub>2</sub> Emissions from Fertilizer	8119.23	603.74	0.00	8722.97
N <sub>2</sub> O Emissions from Peat	0.00	0.00	0.00	0.00
N <sub>2</sub> O Emissions from Fertilizer	9413.66	725.24	0.00	10138.90
Fuel Consumption	2309.17	191.67	0.00	2500.84
Peat Oxidation	0.00	0.00	0.00	0.00
<b>Sinks</b>				
Crop Sequestration	-101166.18	-7474.94	0.00	-108641.12
Sequestration in Conservation Area	-10073.06	-18.16	0.00	-10091.22
<b>Total</b>	<b>24220.65</b>	<b>2518.20</b>	<b>0.00</b>	<b>32841.35</b>

Palm Oli Mill Effluent Treatment

POME Treatment	Unit	Value
POME Diverted to Compost	%	15.13
POME Diverted to anaerobic digestion	%	84.87
• POME to anaerobic pond	%	44
• POME to methane capture (flaring)	%	8
• POME to methane capture (electricity generation)	%	48

\*POME is processed in WWTP and Methane Capture

7.10.2

Certification Unit not carried out any new development since January 1, 2015. Based on the document review, it shows that the distribution of planting years for the smallholder area consists of the planting year 2011-2016, while the latest new development was carried out in the Lindong Raya Cooperative in 2016. Regarding this scheme, farmers have conducted 2014 High Carbon Stock Study using 2006 IPCC Tier 2 Guidelines, conducted by an independent consultant. Based on this assessment, information was obtained that the average total C-Stock in the plasma farmer's area was 10.35 tonnes C/ha.

Even though the certification unit also continued to manage GHG by conducting an inventory of emission sources. They can show identification documents of activities that produce emissions for the period 2021 for Mill and Estate. This is made to estimate carbon stocks in the management area along with potential sources of emissions that can occur directly as a result of the management, and plans to minimize these emissions are drawn up and implemented.

The GHG emission reduction mitigation plan developed by the company is the use of renewable fuels in the form of shells and fiber as a substitute for diesel, performing maintenance on operational equipment such as boilers on a regular basis, doing reforestation around the factory and residential areas, applying POME to the surrounding LA area, and installation of methane capture plant. Records of GHG mitigation for Estate and Mill units, for example the use of fertilizers in accordance with the dosage, routine maintenance of operational vehicles, socialization of the prohibition of burning waste, applying efficient use of electricity and integrated pest control to minimize the use of pesticides.

Boiler burning activity at Jangkang POM is not significantly negative impact on air quality. PT SMM is committed to always monitoring/testing periodically with the installation of Smoke Density, and environmental improvements through air pollution reduction programs such as reforestation programs around factories. The unit of certification also carries out measurements and testing of stationary source emissions carried out on boilers and generator chimneys. Based on the



analysis of the value of the test results, it can be concluded that there is no value that is above the applicable quality standard.

7.10.3

Unit of certification has shown a manual document for the Occupational Health and Safety Management System with document number FRM-EHS 2016, it is known that the company has identified sources of waste and emissions for factories and plantations also has records of waste utilization that have been carried out, including:

- POME from the waste pond is flowed by the Biogas plant installation to be used as a power plant and waste water from the Biogas plant is used for land applications. Waste quality monitoring (eg BOD, COD) has been carried out regularly every month.
- Shells as waste from the processing station kernel are used as boiler fuel. The method used is to flow automatically using a conveyor from the kernel station to the boiler station.
- Fiber waste management by turning it into boiler fuel.
- Management of empty waste is processed into compost and used for organic fertilizer on oil palm land.

The certification unit has also identified other significant pollutants, as well as plans to reduce or minimize their impacts and has carried out standard technical measurements of the level of disturbance from immovable sources carried out by Laboratory which has been accredited by KAN, which is contained in the test results document and the RKL-RPL document for Semester 2 of 2022. The tests carried out by the company include odor and noise testing in work and residential areas, air quality testing for ambient air emissions, boilers and generators. Emission samples were carried out in the factory area, as well as generator operation. Meanwhile, ambient air is taken at the location in front of the factory, and residential areas.

From the result of document review it can be concluded that all test parameters including odor, noise in the work area and housing, air quality testing for ambient air emissions, boilers and generators are in accordance with applicable quality standards and the certification unit has also reported it to the relevant agencies.

The certification unit has several actions to handling of disturbances from immovable sources in accordance with the provisions in the SOP. This has been verified based on document review and field observations, including:

- For high noise areas, it is required to use PPE in the form of masks, ear plugs and ear muffs provided at each station location.
- Use masks for directly affected employees such as operators
- Planting and maintenance of wide-canopied plants in green lanes and road borders and around factories
- Tests for immovable sources disturbances such as noise, odor, ambient air emissions, boilers and generators every 6 months are carried out by an accredited laboratory and reported regularly to the relevant agencies.
- Conduct regular health checks for employees working in areas with high noise risk.
- Ensure boiler fuel (fiber and shell) is dry to reduce emissions in boiler combustion.

From the results of observations in the Jangkang POM area, workers use appropriate PPE, and the equipment and processing stations are functioning properly.

Status: Comply
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7.11

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

7.11.1

The unit of certification has procedures related to land clearing and replanting, which are stated in the document;

- SOP Agronomy SOP-OPR-003 dated 28 January 2015 and SOP-AGR-03 dated 1 August 2013 related to land clearing without burning.
- SOP Agronomy SOP-OPR-003 SOP Land Clearing with Zero Burning Technique
- Environmental Policy, on March 2015, including the application of the principle of zero burning (no burning) in all plantation activities except for special conditions as stated in the ASEAN guidelines.

The document review shows that during the period of 2022, the company has carried out replanting and planting in the Jangkang Estate and Air Ruak Estate. Related to this, the company shows the replanting work agreement letter No.

0203/SCM/SMM/2022 dated February 16, 2022 between PT SMM and PT Mitra Karya Jaya Perdana, for replanting activities in the form of (falling down the tree, chopping the tree, transporting weevil, excavating and closing the hole for former weevil, and making planting holes) at the Jangkang Estate and Air Ruak Estate. In Article 5 regarding the rights and obligations of the parties, it is explained that replanting activities are carried out without burning.

The results of the field visits were proven by field visits to the Jangkang Estate, Balok Estate, Air Ruak Estate, and Sari Bunga Estate, it was known that there were no traces of burning, it could be seen from the results of chopping the palm trees with heavy equipment without using fire.

Until the audit activity took place, the SMM plasma farmer partnership scheme had not carried out any replanting activities.

#### Ext.Scope

The results of the field visits to KTS, KGNS and BDB, it was known that there were no traces of burning, it could be seen from the results of chopping the palm trees with heavy equipment without using fire. Until the audit activity took place, all unit certification had not carried out any replanting activities

#### 7.11.2

The unit of certification has The SOP for Control of Land, Estate, and Forest Fires (SOP-EHS-05) dated July 1, 2019. Also has Organizational Structure of Forest and Land Fire Management (KARHUTLA) PT SMM per January 2022, and carried out emergency and fire simulations, for example held on 2 February, 2022 for all departement unit, attended by 114 person. In addition, the company has also provided training in collaboration with several agencies such as with *Pemadam Kebakaran Manggala Agni*.

In its implementation, land fire prevention and control activities are supported by facilities and infrastructure, including those listed in the simple fire extinguisher and equipment monitoring document, dated October 2022. Based on the document, it is known that the facilities and infrastructure owned have referred to the Ministry of Agriculture Number 5 of 2018. From the results of field observations in the fire department warehouse in Balok Estate and Air Ruak Estate, it is known that the facilities and infrastructure owned are in good condition and suitable for use.

The company can show a recording of the implementation of fire monitoring in the fire patrol monitoring form document in 2022. The results of the inspection of the document revealed that there were no fire incidents in the company's operational areas, this was reinforced by the results of interviews with the Belitung Timur Regency Agriculture Office that there were no fire incidents for two last year. In addition, as an effort to prevent fires, the company also puts up warnings related to fires, prohibits burning garbage and so on. And it's reported by PT SMM Land Fire Management Report document for the 1 Semester which is submitted to the Department of Agriculture and Food Security of Belitung Timur Regency on August 24, 2022.

#### Ext.Scope

In its implementation, land fire prevention and control activities are supported by facilities and infrastructure, including those listed in the simple fire extinguisher and equipment monitoring document, dated October 2022. Based on the document, it is known that the facilities and infrastructure owned have referred to the Ministry of Agriculture Number 5 of 2018. From the results of field observations, cooperative management said that the fire-fighting warehouse for all cooperative is placed in nearest PT SMM Estate for example for KTS, fire-fighter facilities placed in Balok Estate.

#### 7.11.3

The unit certification also involves the community in monitoring fire prevention as a prevention and control measure, namely *Kelompok Tani Peduli Api (KTPA)*.

In its implementation, land fire prevention and control activities are supported by facilities and infrastructure, which are listed in the emergency preparedness and response equipment monitoring referred to by the Minister of Agriculture Number 5 of 2018. From the results of field observations in the fire department warehouse, it is known that the facilities and infrastructure owned are in good condition and suitable for use. The results of interviews with related agencies revealed that there is no fire incident in the PT SMM and plasma for the past 2 years.

Status: Comply

7.12

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

7.12.1; 7.12.8

The results of the review show that the company cleared land after November 1, 2005, without any HCV identification. PT Austindo Nusantara Jaya Agri as the parent company of PT SMM has made disclosure of liability and LUCA according to the RSPO template on August 24, 2015. LUCA for PT SMM has been approved with FCL is 0 and remediation area is 628.4 Ha.

Land Use Change (LUC) Analysis of PT. SMM Partnership Plantation Area already done, and the analysis are included in HCV Identification Report. LUC Analysis was conducted by Faculty of Forestry, Bogor Agricultural. The LUC Analysis was done using multi time scene Landsat 7 interpretation which the acquisition date are July 2<sup>nd</sup>, 2005, April 22<sup>nd</sup>, 2011 and June 22<sup>nd</sup>, 2013. The result of LUC Analysis in Plantation scheme smallholders of PT. SMM shows that there is no primary forest and peat land on scheme smallholder area.

7.12.2

HCV Identification assessment was conducted in 2009. All HCV and the RTE species were identified by the RSPO approved assessor. RTE species that were identified based on regular monitoring and referred to IUCN Redlist are: *Shorea balangeran* (CR) on Balok estate, *Manis javanica* (EN), *Trachypitechus auratus* (EN). HCV identifying process conducted by using HCV identification guides in Indonesia in 2008. The identification results indicate that there are HCV attributes covered an area of ±1,475.87 ha. HCV identification for scheme smallholders is conducted on 2014 by independent consultant using HCV toolkit Indonesia 2008. Based on this HCV identification, found that there are no HCV attributes and RTE species on scheme smallholders' area that included on audit scope. HCV 1.2, HCV 4.1, and HCV 6 covered 8.02 ha areas are present on Gunung Nyerudong cooperatives and some part of Lindong Raya cooperatives. The HCV identification data showed that the area of the HCV in PT SMM was 1,462.49 ha or 8.99% of the total area of PT SMM's HGU area (16,276.87 ha). After conducting an HCV review in 2020, PT SMM's HCV area became 1,385.91 ha or 8.51% of the total area (16,276.87 ha).

This change in HCV area is due to the results of the 2009 HCV Assessment, there are several enclave and occupation areas as well as several areas that are outside the land use permit (HGU) which are counted as PT SMM's conservation area. This could occur due to an error in 2009, which was still using the Rupa Bumi Indonesia Map (RBI).

Based on the identification results also found new areas within the PT SMM area that had HCV. The addition of the HCV area is also one of the factors in the change in the HCV area in the PT SMM area. The increasing number of HCVs is the result of assessments and internal studies of areas that have HCV in them. In addition, there have been several revisions regarding the name of the HCV area in PT SMM.

Regarding the difference in the area of 112.58 Ha between the information in the basic info which states that the HCV area is 1,273.33 Ha, while result of the HCV assessment in 2020 is 1,385.91 Ha, this is due to HCV area of 112.58 Ha is included in planted areas. There is an increasing number of HCV compare with previous audit due to HCV expansion during replanting activity

The company did not clear the land after 15 November 2018 so no HCS study was conducted. But the CH has plan to compensate the occupation area which fall in HGU. LURI activities are carried out using the RSPO template where this study uses 2018 imagery and drone photos in 2021. In addition, a ground check is also carried out to ensure the condition of the area being assessed. The LURI result consist of:

Categorize	Hectarage (Ha)			Total
	Jangkang	Nyuruk	Air Ruak	
Rubber with secondary growth	21.90	52.69	54.91	129.50
Low Stature Vegetation	17.99	29.21	134.68	181.89

Local community mixed agriculture	17.02	50.25	147.49	214.76
Oil Palm Planted by Adjacent Company		2.89		2.89
Cleared land	0.38	0.26	7.07	7.71
Low Risk	57.29	135.30	344.15	536.74
High Risk				

Based on observation in several occupation area which separated in Jangkang Estate, Balok Estate, and Air Ruak estate, found that mostly area is planted by community with rubber and some of them is Low Stature Vegetation.

**Ext.Scope**

Land clearing was first carried out in 2012 to 2014 for the scope of BDB, KTS and KGNS but without prior HCV assessment. If an overlay is made between the study map and the locations of the three business units, it shows that the entire scope of the business unit has been included in the scope of the HCV assessment with the HCV locations included in the scope of certification. The HCV assessment activity was carried out by the Faculty of Forestry IPB using the 2008 toolkit. The HCV assessment was carried out in a participatory manner through participatory mapping and public consultation which was conducted on August 5, 2014. The scope of the activity includes all partners working with PT SMM, namely 7 cooperatives and 1 agency. Village Owned Business. The HCV identification activity was carried out in full (full assessment) in the partnership plantation area of + 2,526.27 Ha with a total identified HCV area of 20.15 Ha. Specifically for the scope of the Certification Unit that is included in the current Extension Scope, namely out of a total of 251.57 Ha of operational area, an HCV area of 1.98 Ha is obtained which is located in the Gunong Nyerundong Sejahtera Cooperative (KGNS).

**7.12.3**

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

**7.12.4**

Unit of certification has carried out activities in order to maintain protected areas and High Conservation Values which can be shown in the Implementation Report on Management and Monitoring of PT SMM High Conservation Value Areas for the September 2022 that has been in line with its planning and reviewed periodically by management by involving relevant stakeholders, several activities including:

- Observation of *Tarsius* in the *Bentang Alam Hutan Makam Balok* with *Kelompok Nelayan Keretak Nibong*
- Tree inventory and QR Code installation
- Creation and installation of HCV signboards
- Nursery from department of conservation
- Tree planting
- HCV and biodiversity monitoring
- Installation of a camera trap, the results recorded through a camera trap are there are wild boars, long tail monkeys and shrew mice.
- Research on Tree Vegetation Analysis in the *Bentang Alam Hutan Makam Balok* Area
- Survey on Making Jungle Track Area for Bukit Aceh

**Ext.Scope**

Based on observation to HCV area in KGNS sighted HCV area is maintain well such as the area is growth with natural vegetation, there is no illegal activity in HCV area and found some wildlife. PT SMM also does a passive socialization by using signboards at any accessible location.

**7.12.5**

Unit of certification already has an Extension of Cooperation Agreement for the management of the beam forest landscape in the oil palm plantation area of PT SMM with No. 280/S<<-SPK/04-2021 dated April 9, 2021 between PT Sahabat Mewah Makmur and *Kelompok Nelayan Keretak Nibong Dusun Air Nangka Balok Village, Dendang Sub-district, Belitung Timur Regency*, for cooperation in activities in the management of natural forest landscapes of the beam tomb forest in the oil palm plantation concession of PT Sahabat Mewah Makmur.

**7.12.6**

The RTE species protection policy is contained in the conservation policy manual MAN-CSV-001 dated 1 October 2018 which was endorsed by the president director of the ANJ group. In this policy, it is explained that the company is committed to protecting animal species that are included in the criteria of being protected and threatened with extinction from hunting activities. In addition, it was also explained that the company will carry out investigations and give strict sanctions to company employees who hunt, maintain, injure, and eliminate the lives of protected or endangered wildlife. Every contractor and other partners are prohibited from capturing, hunting, or carrying animals or flora outside the company's operational areas without permission from the company's conservation department.

Based on interviews with workers, communities, and smallholder it was found that they had an understanding regarding the protection of flora and fauna as well as conservation areas.

**7.12.7**

The unit of certification can show records of HCV management carried out in the period 2022. The results of the monitoring are used for follow-up improvements to the management plan, for example:

- Reforestation of HCV in the replanting area, planting of 2,335 trees until September 2022
- Socialization of HCV to communities conducted in 2022

Observation to HCV area in Jangkang Estate, Sari Bunga Estate, Air Ruak Estate and Balok Estate, sighted HCV area is maintain well such as the area is growth with natural vegetation, there is no illegal activity in HCV area and found some wildlife in HCV area. The results of HCV monitoring in 2022 are carried out in accordance with the master plan and annual planning evaluated by management and involving relevant stakeholders.

**Ext.Scope**

Observation to HCV area in KGNS sighted HCV area is maintaining well such as the area is growth with natural vegetation, there is no illegal activity in HCV area and found some wildlife in HCV area. The results of HCV monitoring in 2022 are carried out in accordance with the master plan and annual planning evaluated by management and involving relevant stakeholders.

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

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or ✓</b>
ASA – 2.2	PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or ✓</b>
ASA – 2.2	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use. PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or ✓</b>
ASA – 2.2	Implementation of Certificate and Logo is not used on product. PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00	✓
	Status: Comply	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or ✓</b>
ASA – 2.2	PT Austindo Nusantara Jaya Agri Trademark License Number 1-0032-07-100-00. Controlling of Certificate and Logo, including withdrawing inappropriate logo.	✓
	Status: Comply	

**3.3 Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of ANJA against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.5.4. A summary of findings is as stated below.

ANJA Time Bound Plan (TBP) is explaining in table section 1.10.1 ANJA has run five (5) and seven (7) management unit/company in Indonesia. All mills and estates are operated in Indonesia. ANJA has informed the TBP progress through head office in Indonesia.

MUTU has verified partial certification for un-certified unit's subsidiary of ANJA based on their Time Bound Plan. There are four (4) uncertified management unit of ANJA. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company statement :</b> The company are already doing internal audits.</p> <p><b>Auditor verification:</b> Internal Audit for uncertified management unit</p> <ul style="list-style-type: none"> <li>• PT Galempa Sejahtera Bersama has been conducted Internal Audit on 10 – 14 November 2021</li> </ul>
2.1.2	No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3 (it has changed be Criterion 7.12 in P&C 2018)	<p><b>Company statement:</b> The company has been reporting disclosure and zero liability to RSPO. Progress result of review LUCA at follow up by email to RSPO.</p> <p><b>Auditor Verification :</b> ANJA and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 24, 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RaCP Procedure will be observed again on the next visit audit.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>company statement:</b> NPP has been applied</p> <p><b>Auditor Verification :</b></p> <ul style="list-style-type: none"> <li>• PT Galempa Sejahtera Bersama, NPP date of notification on May 2, 2014</li> </ul>

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>PT Austindo Nusantara Jaya Tbk, NPP preparation on process – HCV Assessment review by HCV RN</li> </ul>
2.1.4	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO criteria 2.2, 6.4, 7.5 and 7.6 (it has changed be Criterion 4.8, 4.7 and 4.5 in P&C 2018).	<p><b>Company statement:</b> There is land conflict, but there is documented evidence that land conflict has been process for resolution.</p> <p><b>Auditor verification :</b> The company has had a mechanism for addressing land conflicts, described in the SOP of Handling Differences Opinion with the Community and Dispute Tenure (SOP-Leg-03, Issue 01, dated 1 September 2015),</p>
2.1.5	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> There is no labour disputes</p> <p><b>Auditor verification :</b> The company has a mechanism for grievance described in SOP Handling of Differences of Opinion with Public and Land Dispute (Document No. SOP-EAD-01; Issue 01/00) dated August 1, 2013.</p> <p>A policy related to confidentiality of informant (whistle-blower) regulated in the SOP of Communication and Provision Information (Document No. SOP-Leg-02, Issue 01/04, dated 1 September 2015), it's mentioned in the section 6 of tis SOP.</p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries</p>
2.1.6	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1 (it has changed be Criterion 4.2 in P&C 2018).	<p><b>Company statement:</b> All legal requirement for palm oil plantation has been comply</p> <p><b>Auditor verification :</b> PT Galempa Sejahtera Bersama</p> <ul style="list-style-type: none"> <li>Status of PT GSB based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain)</li> <li>Location Permit No. 525/535/KEP/HUTBUNTAMBEN/2012, 20 April 2012</li> <li>Plantation Permit No. 525/423/KEP/HUTBUNTAMBEN/2013, 08 May 2013</li> <li>HGU on process</li> <li>Environment Permit No. 211, 2013, dated 06 May 2013</li> <li>SEIA No. 210, 2013, dated 1 May 2013</li> </ul> <p>PT Austindo Nusantara Jaya, Tbk.</p> <ul style="list-style-type: none"> <li>Location Permit No. 12/2011, dated 6 October 2012. Total area ± 40,000 Ha</li> </ul>



2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
		<ul style="list-style-type: none"> <li>• Extention of Location Permit No. 74 year of 2014, dated 2 September 2014. Total area ± 40,000 Ha</li> <li>• Converted forest area release by the Republic Indonesia Ministry of Forestry Number No. 131.09/118/B.MBT/2011, Tgl. 12 October 2011</li> <li>• Plantation Business Permit, According to West Papua Governor Decree No. 525/101/5/2013 year of 2013 for 40,000 Ha and 2 x 60 Ton FFB/Hours plant.</li> <li>• Environment Permit PKS 60 X 2 TPH, No. 660/147/7/2013 TAHUN 2013, dated 18 July 2013</li> <li>• SK HGU (Inti), Number. 03/HGU/KEM-ATR/BPN/2015 dated 02 April 2015, 30.515,75 Ha</li> </ul>

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

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

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor) During the audit process, auditors did not identify any non-conformance to the RSPO indicators.					
Non-Conformance Description (filled by auditor):					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): -					
Corrective Action (filled by organization audited): -					
Assessor Evaluation and Conclusion (filled by auditor): -					
Verified by	:				

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

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor) During the audit process, auditors did not identify any non-conformance to the RSPO indicators.					
Non-Conformance Description (filled by auditor):					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): -					
Corrective Action (filled by organization audited): -					
Assessor Evaluation and Conclusion (filled by auditor): -					
Verified by	:				

**3.4.3. Identification of Findings, Corrective Actions and Observations at Extension Scope Assessment**

NCR No.	:		Issued by	:	
Date Issued	:		Time Limit	:	
NC Grade	:		Date of Closing	:	
Standard Ref. & Requirement	:				
Evidence observed (filled by auditor) During the audit process, auditors did not identify any non-conformance to the RSPO indicators.					
Non-Conformance Description (filled by auditor):					
Root Cause Analysis (filled by organization audited): -					
Correction (filled by organization audited): -					
Corrective Action (filled by organization audited): -					
Assessor Evaluation and Conclusion (filled by auditor): -					
Follow up on next audit (filled by auditor):					
Verified by	:				

3.4.4. Opportunity for Improvement at ASA-2.2

No	Ref. Std.	Description
1	3.6.1	Based on the results of field visits in the plantation housing area, the company has provided housing facilities for employees in good and well-maintained conditions and there are warning boards related to Occupational Health and Safety in several strategic locations. Regarding the Work Safety aspect, the auditor team considered that the company had the opportunity to improve security by providing a special storage area for sharp work tools ( <i>dodos / egrek</i> ) separately, this is because currently the work tools are stored next to the housing even though they are in safe conditions ( <i>egrek and dodos</i> ) has been given a safety sheath).
2	6.2.2	<p>There is a work agreement with related documents that regulates detailed wages and work requirements (for example regular working hours, deductions, overtime, sick leave, right to vacation (leave), maternity leave, reasons for dismissal, notification period before dismissal, etc. according to national regulatory requirements) and salary breakdown documents that provide accurate information on compensation for work performed.</p> <p>The certification unit has a CLA for the period 2020-2022 which has been ratified based on the Decree of the Director General of Industrial Relations and Labor Social Security dated December 14, 2020 and is valid until December 14, 2022.</p> <p>Based on interviews with Labour Unions and <i>LKS Bipartite</i> revealed that negotiations regarding the renewal of the CLA will only be held in November 2022.</p> <p>In this case, the certification unit has the opportunity to ensure that the progress of the extension of the CLA lasts until the issuance of the latest CLA.</p>
3	6.7.2	Based on the results of field observations in the Estate and Mill areas, it is known that the company has installed OHS symbols, has Fire Extinguisher, installed MSDS, and has Hydrant in strategic locations according to the level of danger. During the audit process the auditor team assessed that the company was encouraged to improve performance related to more informative OHS warnings/symbols not limited to symbols by considering the size.
4	7.3.1	<p>The company already has a waste management procedure document with No. SOP-EHS-008 Procedure for Waste Management Plan rev. 02 April 29 2017. This document discusses household waste management. The resulting waste is separated by organic and inorganic, organic waste is used for compost, while inorganic is disposed of in the Final Disposal Site</p> <p>Based on the results of field visits in the residential areas of Balok Estate, Sari Bunga Estate, Air Ruak Estate, it is known that the housing facilities and infrastructure are in good condition and maintained, garbage collection is carried out regularly and clean Friday activities. However, based on the results of field visits to the landfill area in Balok Estate and Sari Bunga Estate, it is known that organic and inorganic domestic waste is dumped in the same hole. Meanwhile, Air Ruak Estate is not fully managed in a landfill. Therefore, companies are encouraged to ensure that the implementation of domestic waste management is in accordance with the procedures they have.</p>

3.4.5. Opportunity for Improvement at Extension Scope Assessment

No	Ref. Std.	Description
1	2.1.1	<p>The unit of certification complies with all relevant laws and regulations.</p> <p>The results of a document review and interviews with representatives of the District Agriculture and Food Service and the East Belitung Regency Environmental Service found that the Balok Tebing Tinggi BUMDES does not yet have STDB and SPPL and is still in the process of making a Land Management Cooperation Agreement. This is because until now the district administration is still in the stage of coordinating with parties regarding land managed by BUMDES Balok Tebing Tinggi on behalf of the village government and not owned by individuals, so that it becomes an obstacle in issuing STDB, SPPL, including validation of land management SPK. The agency representative said that the certification unit had the communication and good faith to take care of these two matters, however, until now it was indeed the government that was still carrying out the review process.</p> <p>Based on this, the certification unit has the opportunity to:</p> <ul style="list-style-type: none"> <li>• Maintaining active communication with the parties and documenting every stage in the effort to issue STDB and SPPL for BUMDES Balok Tebing Tinggi.</li> <li>• Continuing positive progress for the issuance and signing of the Cooperation Agreement Letter between PT SMM and BUMDES Balok Tebing Tinggi.</li> </ul>
2	2.2.2	<p>All Contracts, including contracts with FFB suppliers have separate clauses regarding the fulfillment of relevant legal obligations, and can be proven by the third party concerned</p> <p>The company has an evaluation format for evaluating suppliers and subcontractors and has conducted periodic evaluations. In this evaluation format, there are no assessment parameters regarding compliance with relevant legal obligations, as stated in the SPK owned, for example compliance with the minimum wage and BPJS membership. From the results of interviews with contractors, it is known that contractors understand and comply with labor regulations such as BPJS payments for their members. Based on this, companies are encouraged to complete the contractor evaluation format regarding relevant legal obligations.</p>
3	6.1.6	<p>Evidence of payment of equal pay for equal scope of work is available.</p> <p>The company already has a wage scale structure policy contained in Internal Memo number 063 of 2016 dated January 5, 2016 which regulates length of service allowance of IDR 3,000 per year of service. However, based on the results of a review of payroll documents and pay slips for January 2023, it shows that long service benefits have been included in the wage system. In verifying the wage data, information was obtained that there were workers with 1 year of service who had not received the long service allowance as stipulated in the Memo above. Based on this, companies are encouraged to ensure that all workers who work for more than 1 year receive long service benefits as stipulated in Memo Number 063 of 2016.</p>
4	6.7.2	<p>Emergency response and work accident procedures are available in Indonesian which are clearly understood by all workers. There are workers assigned to the field and other work locations and have received First Aid training. A first aid kit is available at the workplace. Records of all work accidents are kept and periodically reviewed.</p> <p>The Certification Unit is under the management of PT SMM in management related to First Aid. From the list of first aid workers owned by PT SMM there are 23 officers, with 2 of them responsible for the unit of certification. The results of license verification from the two officers showed that the first aid workers already had licenses, namely workers with the initials MI (license number 09 P3K/DISNAKER/2020) and RN (license number 16 P3K/DISNAKER/2020). The license has expired on January 23, 2023. In this regard, PT SMM has shown the Training Requests Form document dated January 3, 2023 which has been submitted by the EHS manager and has been approved by the President Director, and the Head of Lead and Development. PT SMM has also shown Certificate Number 43/S.Ket/FGM/DM/II/2023 dated 5 February 2023 from PT Fresh Galang Mandiri (OHS Services) which explained that the first aid worker certification had been extended in February 2023, while the license was still in progress at the Department of Labor. Based on this, the Certification Unit has the opportunity to ensure that all OHS committee officers working in the operational area still have valid licenses.</p>

3.4.6. Noteworthy Positive Components

No	Description
1	Company commitment to implementing sustainable standards for oil palm plantations.
2	The company already has a partnership with a plasma plantation
3	The company does not use pesticides with active paraquat ingredients
4	The company has implemented an Electronic plantation management system
5	The company has implemented the ETIC (Electronic Trees Information Code), a barcode installation program on trees
6	The company has a Biodiversity Care Program (Pendaki)
7	Implementation of ANJ's eTIS app for traceability of FFB suppliers.
8	Implement programs that synergize with government activities such as maintaining cultural heritage (beam graves), planting trees to prevent abrasion, collecting data on biodiversity in the area around the plantation.
9	Drip Fertigation - Application of liquid fertilizer with a drip system in sandy areas.

3.5 Summary of Arising Issues from Public and Auditor Verification

ASA-2.2

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Environmental Agency of Belitung Timur Regency.</p> <ul style="list-style-type: none"> <li>- The certification unit has a Schedule Waste Storage and approved by Belitung Timur Regency.</li> <li>- The certification unit have POME Disposal Permit in accordance with the decision of the Belitung Timur Regency.</li> <li>- The certification unit has conducted noise, vibration and noise testing and reported the results of testing to Environmental Agency of Belitung Timur Regency per semester.</li> <li>- The certification unit has reported hazardous waste (balance and manifest) management to Environmental Agency of Belitung Timur Regency per semester.</li> <li>- The certification unit has sent the <i>RKLI RPL</i> implementation report to to Environmental Agency of Belitung Timur Regency periodically.</li> <li>- The certification unit has managed the conservation area/ HCV.</li> <li>- Requests for information responded quickly by the management unit.</li> <li>- There have not been any issues and reports from other parties regarding the negative impacts on the environment due to the management of Estate and POM.</li> </ul>	<p>There are no negative issues that require further classification in terms of environmental issue</p>
<p>Manpower and Transmigration Agency of Belitung Timur Regency</p> <ul style="list-style-type: none"> <li>• In the last two years period there were no industrial relations problems.</li> <li>• The CLA is still valid until December 2022.</li> <li>• Worker union has been formed without any intervention from the certification unit.</li> <li>• There are no complaints regarding the granting of rights and facilities provided by the certification.</li> <li>• All workers have been registered in the health and employment insurance programs.</li> </ul>	<p>There are no negative issues that require further classification in terms of employment issue</p>
<p>Plantation Agency of Belitung Timur Regency</p> <ul style="list-style-type: none"> <li>• There have been no land fires in the last year</li> <li>• There are no indigenous peoples in the certification unit's operational areas</li> <li>• The certification unit carries out CSR programs on a regular basis</li> <li>• No overlapping operational areas with mining</li> </ul>	<p>There were no negative issues that need further verification.</p>
<p>Surrounding Village (Jangkang Village and Dendang Village)</p> <ul style="list-style-type: none"> <li>• There is no negative issues, land dispute issues or environmental pollution. The land compensation process has been carried out by involving various parties as long time ago.</li> <li>• The relationship between the company and the community is considered to be quite good. The company has implemented social responsibility through CSR programs, both in the form of assistance or empowerment. There is no legal / dispute and environmental issue</li> <li>• In 2019, the certification unit collaborated with Dendang Village by forming the Freshwater Aquaculture Group (POKDAKAN). The</li> </ul>	<p>In general, there are no negative issues that require further verification. Regarding CSR, it is explained in more detail in 4.3.1</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>certification unit in this case acts as a founder. The assistance provided by the certification unit includes:</p> <ul style="list-style-type: none"> <li>- Organizing HR by providing training to improve skills at work.</li> <li>- Assist in the marketing of fishery products.</li> <li>- Assistance for seeds and fish feed.</li> </ul> <ul style="list-style-type: none"> <li>• From the results of freshwater aquaculture, POKDAKAN has been able to form ALAMAMI SME's as a forum to market aquaculture and fishery product processing.</li> </ul>	
<p><b>FFB Suppliers:</b></p> <ol style="list-style-type: none"> <li>1. Anugerah Cooperative</li> <li>2. Bumi Makmur Cooperative</li> </ol> <ul style="list-style-type: none"> <li>• The agreement has been agreed by both parties.</li> <li>• Both of cooperative are external FFB suppliers.</li> <li>• Contractor provides PPE to workers.</li> <li>• Contractor pay worker wages in accordance with the minimum wage applicable in the local area</li> <li>• Contractors involve their employees in the <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> program</li> <li>• There were no complaints regarding payments and payments in accordance with the work agreement.</li> </ul>	<p>There is no negative issue related to local contractor.</p>
<p><b>Local Contractor</b></p> <ol style="list-style-type: none"> <li>1. PT Saputri Jangkang</li> <li>2. PT Indojoya Belitung</li> <li>3. PT Insani Mitra Utama Belitung</li> </ol> <ul style="list-style-type: none"> <li>• The agreement has been agreed by both parties.</li> <li>• PT Saputri Jangkang and PT Indojoya Belitung are labor service provider for upkeep and nursery.</li> <li>• PT Insani Mitra Utama Belitung is FFB and CPO transporter.</li> <li>• Contractor provides PPE to workers.</li> <li>• Contractor pay worker wages in accordance with the minimum wage applicable in the local area</li> <li>• Contractors involve their employees in the <i>BPJS Kesehatan</i> and <i>BPJS Ketenagakerjaan</i> program</li> <li>• There were no complaints regarding payments and payments in accordance with the work agreement.</li> </ul>	<p>There is no negative issue related to local contractor.</p>
<p><b>Previous Land Owner from Jangkang Village</b></p> <p>Process of land compensation has satisfactory conducted by the unit of certification. Calculation of compensation process was transparent, involving government representatives, village representatives and land owners. All process were conducted in accordance with relevant regulation.</p>	<p>There were no negative issues that need further verification</p>
<p><b>Gender Committee of PT Sahabat Mewah dan Makmur</b></p> <ul style="list-style-type: none"> <li>• There were no complaints regarding issues related to sexual harassment and violence against women.</li> <li>• All woman in pesticides applicator worker and others work which related to chemical material if reported pregnant, the worker would be</li> </ul>	<p>There were no negative issues that need further verification</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>transferred to non-agrochemical work (e.g.: compound and daycare officer).</p> <ul style="list-style-type: none"> <li>The gender committee had socialized some policies related to pregnancy and sexual harassment.</li> <li>The certification unit has had a policy to protect female workers from sexual harassment in the workplace as well as a grievance mechanism. The certification unit also implemented some regulations related to reproductive rights such as menstruation leave and maternity paid leave.</li> </ul>	
<p><b>Labour Union of PT Sahabat Mewah dan Makmur</b></p> <ul style="list-style-type: none"> <li>The certification unit supports employee organizational activities and has never intimidated or intervened.</li> <li>All employees working at estate and mill are permanent worker.</li> <li>Already have a Collective Labor Agreement.</li> <li>The wage reference used is <i>UMP</i> for 2022.</li> <li>No issues related to employment in the last 1 year.</li> <li>Special health checks for employees with high risk in 2021 will still be carried out in accordance with the Covid-19 protocol</li> </ul>	<p>There were no negative issues that need further verification</p>
<p><b>LKS Bipartite of PT Sahabat Mewah dan Makmur</b></p> <ul style="list-style-type: none"> <li>The certification unit has implemented the Provincial Minimum Wage.</li> <li>The certification unit lends a place to <i>LKS Bipartite</i> which is used as an office. Audiences with the certification unit are conducted monthly. The certification unit is quite responsive regarding employee complaints.</li> <li>Work accidents that occur are just like being hit by a thorn, nothing causes disability and death.</li> <li>The certification unit has distributed PPE to workers, and has carried out periodic and special health checks for workers handling pesticides.</li> </ul>	<p>There are no negative issues related to the certification unit, and verification has been carried out in the report.</p>
<p><b>Sambar Jaya Cooperative Berhimpun Sejahtera Cooperative</b></p> <p>The land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties. the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work contracts, the contracts have been made fairly, transparently, and legally.</p> <p>There is no negative issue related to the cooperation between the company and the cooperative. the land originated from community land which then joins and forms a cooperative, then cooperates with the company to manage the land with certain agreements agreed by both parties. the work agreement has explained the pricing of each work unit. The parties have understood the provisions of work contracts, the contracts have been made fairly, transparently, and legally. Moreover, the member felt their gratefulness to the company that open the opportunity to the villager to become its scheme smallholders.</p>	<p>There is no negative issue need to be verified.</p>

Extension Scope

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Department of Agriculture and Food of East Belitung Regency Head of Plantation Division</p> <ul style="list-style-type: none"> <li>• The Tiong Sejahtera Cooperative and the Gunung Nyerudong Sejahtera Cooperative already have STDB (Cultivation Registration Certificate), and have a partnership agreement letter for plantation management.</li> <li>• BUMDES Balok Tebing Tinggi does not yet have STDB and is still in the process of making a Cooperation Agreement for plantation management.</li> <li>• There are no issues that impact the company's operations.</li> </ul>	<p>This has been verified in the report.</p>
<p>Belitung Timur Regency Environmental Service Head of Department</p> <ul style="list-style-type: none"> <li>• Farmers in the Tiong Sejahtera Cooperative Farmer Group and Gunung Nyerudong Sejahtera already have an SPPL (Environmental Management Statement).</li> <li>• BUMDES Tebing Tinggi does not yet have an SPPL.</li> <li>• There are no environmental issues.</li> </ul>	<p>This has been verified in the report.</p>
<p>Office of Manpower, Cooperatives, and Small and Medium Enterprises Units of Belitung Timur Regency Head of Industrial Relations and Social Security</p> <ul style="list-style-type: none"> <li>• The applicable wage is the UMP (Provincial Minimum Wage) of Rp 3,498,479.</li> <li>• There are no issues regarding industrial relations.</li> <li>• The company has registered the Employment and Health BPJS for its workers.</li> </ul>	<p>This has been verified in the report.</p>
<p>Belitung Timur Regency Land Office Head of Land Registration Section</p> <p>There are no issues of land disputes in the Tiong Sejahtera and Gunung Nyerudong Sejahtera Cooperative areas, as well as Balok Village.</p>	<p>This has been verified in the report.</p>
<p>Head of Balok Village and Director of BUMDES Tebing Tinggi</p> <ul style="list-style-type: none"> <li>• Decree on the BUMDES legal entity from the Ministry of Law and Human Rights was issued on 13 February 2023</li> <li>• Oil palm planted in 2012.</li> <li>• Transparent plantation management, BUMDES management gets financial statement audit sheets which are carried out periodically by an independent Public Accountant Office and gets a letter of acknowledgment of debt from the company at the end of each year.</li> <li>• BUMDES has a positive influence by providing employment and income absorption for the village.</li> </ul>	<p>This has been verified in the report.</p>
<p>Contractor PT Rayyan Abadi Jaya</p> <ul style="list-style-type: none"> <li>• Engaged in the transportation of FFB at BUMDES Tebing Tinggi, Balok Village.</li> <li>• Harvest and transport 4x a month.</li> </ul>	<p>This has been verified in the report.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• Smooth payments and no complaints.</li> <li>• Members have been registered with BPJS for Work and Health.</li> </ul>	
<p>Head of Renggiang Village</p> <ul style="list-style-type: none"> <li>• There is a plasma partnership between PT SMM and the Gunung Nyerudong Sejahtera Farmers Group in Renggiang Village.</li> <li>• Partnerships have a positive impact on the village economy.</li> <li>• There are no land disputes between farmer group members.</li> <li>• The company's communication with farmer groups is quite harmonious.</li> </ul>	This has been verified in the report.
<p>LKS (Cooperation Institution) Bipartite Bipartite LKS Women Members</p> <ul style="list-style-type: none"> <li>• Membership of bipartite LKS is represented between company and employee representatives.</li> <li>• Representatives of LKS members are from nucleus estates and cooperatives/partnerships.</li> <li>• LKS Bipartite meetings are held regularly, with the last meeting being held in early February 2023. Meetings periodically discuss employment issues and complaints (if any) in the company area.</li> </ul>	This has been verified in the report.
<p>Head of Lilang Village</p> <ul style="list-style-type: none"> <li>• There is a plasma partnership between PT SMM and the Tiong Sejahtera Cooperative in Lilangan Village</li> <li>• Partnerships have a positive impact on the village economy.</li> <li>• There are no land disputes between cooperative members.</li> <li>• Communication between companies and cooperatives is quite harmonious.</li> <li>• There are no issues related to environmental pollution with the agronomic activities of the Tiong Sejahtera Cooperative</li> </ul>	This has been verified in the report.
<p>Gender Committee</p> <ul style="list-style-type: none"> <li>• There are no issues related to child labour, discrimination, sexual harassment or intimidation.</li> <li>• The company consistently provides H1 and H2 leave rights to female workers.</li> <li>• The company provides full support for the activities or work programs of the gender committee.</li> </ul>	This has been verified in the report.
<p>Head of Gunung Nyerudong Sejahtera</p> <ul style="list-style-type: none"> <li>• There is a plasma partnership between PT SMM and the Gunung Nyerudong Sejahtera Farmers Group in Renggiang Village.</li> <li>• Partnerships have a positive impact on the village economy.</li> <li>• There are no land disputes between farmer group members.</li> <li>• The company's communication with farmer groups is quite harmonious.</li> </ul>	This has been verified in the report.

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>
4.1	<b>Formal Sign-off of Assessment Findings</b>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> <p>PT Sahabat Mewah dan Makmur General Manager</p>  <p><b><u>Mukhlisuddin Nasution</u></b> Friday, 03 March 2023</p> </div> <div style="text-align: center;"> <p>PT Mutuagung Lestari Lead Auditor</p>  <p><b><u>Haikal Ramadhan Kharismansyah</u></b> Friday, 03 March 2023</p> </div> </div>

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

ASA-2.2

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Manpower Agency	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
2	Environmental Agency	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
3	Agriculture Agency	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
4	National Land Agency	Belitung Timur Regency		-	25 October 2022		✓
5	Previous Land Owner	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
7	Village head of Dendang	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
8	Village head of Jangkang	Belitung Timur Regency		Interview by phone	25 October 2022	✓	
9	Head of Dendang District	Belitung Timur Regency		Interview	25 October 2022	✓	
10	FFB Supplier (Anugerah Cooperative)	Belitung Timur Regency		Interview	25 October 2022	✓	
11	FFB Supplier (Bumi Makmur Cooperative)	Belitung Timur Regency		Interview	25 October 2022	✓	
12	Local Contractor (PT Saputri Jangkang)	Belitung Timur Regency		Interview	25 October 2022	✓	
13	Local Contractor (PT Indo Jaya Belitung)	Belitung Timur Regency		Interview	25 October 2022	✓	
14	Local Contractor (PT Insani Mitra Utama Belitung)	Belitung Timur Regency		Interview	25 October 2022	✓	
15	Gender Commite of PT SMM	Belitung Timur Regency		Interview	24 October 2022	✓	
16	Labour Union of PT SMM	Belitung Timur Regency		Interview	24 October 2022	✓	
17	Bipartite institution of PT SMM	Belitung Timur Regency		Interview	24 October 2022	✓	
18	Jangkang Mill (33 Workers)	Belitung Timur Regency		Interview	24 October 2022	✓	
19	Jangkang Estate (8 workers)	Belitung Timur Regency		Interview	25 October 2022	✓	
20	Balok Estate (17 Workers)	Belitung Timur Regency		Interview	24 October 2022	✓	
21	Sari Bunga Estate (15 Workers)	Belitung Timur Regency		Interview	26 October 2022	✓	
22	Air Ruak Estate (15 Workers)	Belitung Timur Regency		Interview	27 October 2022	✓	
23	Sambar Jaya Cooperative (6 Workers)	Belitung Timur Regency		Interview	26 October 2022	✓	
24	Mitra Anugerah Cooperative (2 workers)	Belitung Timur Regency		Interview	26 October 2022	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
25	Berhimpun Sejahtera Cooperative (3 Workers)	Belitung Timur Regency			26 October 2022		
26	Berhimpun Sejahtera Cooperative	Belitung Timur Regency		Interview	27 October 2022	✓	
27	Head Sambar Jaya Cooperative	Belitung Timur Regency		Interview	26 October 2022	✓	
28	WWF	Jakarta	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	E-mail	19 Oktober 2022		✓
29	WALHI	Jakarta	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	E-mail	19 Oktober 2022		✓
30	AMAN	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	E-mail	19 Oktober 2022		✓
31	Sawit Watch	Bogor	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	E-mail	19 Oktober 2022		✓

Ext.Scope

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Department of Agriculture and Food	Belitung Timur	-	-	21 February 2023	✓	
2	Environmental Service	Belitung Timur	-	-	21 February 2023	✓	
3	Office of Manpower, Cooperatives, and Small and Medium Enterprises Units	Belitung Timur	-	-	21 February 2023	✓	
4	Land Office	Belitung Timur	-	-	21 February 2023	✓	
5	Head of Balok Village and Director of BUMDES Tebing Tinggi	Belitung Timur	-	-	21 February 2023	✓	
6	Contractor PT Rayyan Abadi Jaya	Belitung Timur	-	-	21 February 2023	✓	
7	Head of Renggiang Village	Belitung Timur	-	-	21 February 2023	✓	
8	LKS (Cooperation Institution) Bipartite	Belitung Timur	-	-	21 February 2023	✓	
9	Gender committee	Belitung Timur			21 February 2023	✓	
10	2 Harvester and 2 Up-keep workers at KTS	Belitung Timur	-	-	21 February 2023	✓	
11	4 Upkeep workers and 1 Foreman at Bumdes Tebing Tinggi	Belitung Timur	-	-	21 February 2023	✓	
12	4 Harvester and 1 upkeep worker at KGNS	Belitung Timur	-	-	21 February 2023	✓	

Appendix 2. Assessment Program

ASA-2.2

DATE	24 – 28 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 24 October 2022</b>		
06.30 – 10.30	JAKARTA → BELITUNG → PT SAHABAT MEWAH MAKMUR	
11.00 – 12.00	<b>Opening meeting (recorded video conference)</b> <ul style="list-style-type: none"> <li>- Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>- Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan</li> <li>- Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul>	All Auditor
12.00 – 13.00	Break	
14.00 – 16.15	Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier  <b>Field observation to JANGKANG POM :</b> <ul style="list-style-type: none"> <li>- Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>- Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</li> <li>- Implementation of Employment Procedure and Mechanism Aspect</li> </ul>	YYT  MAY / AFS  RPJ  AFS / AFS
16.15 – 17.00	Presentation of Daily Progress	
<b>Tuesday, 25 October 2022</b>		
08.00 – 12.00	Public consultation with stakeholder to relevant agency in Belitung Timur Regency (by Phone)  Stakeholder consultation to affected communities surrounding the plantations and previous land owner	YYT
08.00 – 12.00	<b>Field Observation to BALOK ESTATE; SAMBAR JAYA COOPERATIVE; MITRA ANUGERAH COOPERATIVE</b> Aspect to be verified : <ul style="list-style-type: none"> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>- Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>- Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>- Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	MAY / AFS  RPJ  RPJ  MAY / AFS
12.00 – 14.00	<ul style="list-style-type: none"> <li>• Break</li> </ul>	
14.00 – 16.15	<ul style="list-style-type: none"> <li>• Document review and completing audit checklist.</li> <li>• Verification of Basic Information Mill and Estate</li> <li>• Confirmation of Time Bound Plan</li> </ul>	All Auditor



DATE	24 – 28 October 2022	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.15 – 17.00	<ul style="list-style-type: none"> <li>Review of Partial Certification</li> </ul> Presentation of Daily Progress	
<b>Wednesday, 26 October 2022</b>		
08.00 – 12.00	Field Observation to SARI BUNGA ESTATE; AIR RUAK ESTATE & BERHIMPUN SEJAHTERA COOPERATIVE Aspect to be verified : <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Implementation of Legal Aspect (Land Ownership, Legal Boundaries);</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	MAY / AFS  RPJ / YYT  RPJ / YYT  MAY / AFS
12.00 – 13.00	Break	
14.00 – 16.10	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	
<b>Thursday, 27 October 2022</b>		
08.00 – 12.00	<ul style="list-style-type: none"> <li>Continued field observation and Public Consultation i</li> <li>Document review and completing audit checklist.</li> <li>-</li> </ul>	All Auditor
12.00 – 14.00	<ul style="list-style-type: none"> <li>Break</li> </ul>	
16.00 – 17.00	<ul style="list-style-type: none"> <li>Verification of stakeholder consultation result and field visit.</li> <li>Document review and completing audit checklist.</li> </ul>	All Auditor
16.15 – 17.00	Presentation of Daily Progress	
<b>Friday, 28 October 2022</b>		
08.00 – 09.00	Internal discussion by auditor team preparing for Closing Meeting	
09.00 – 11.00	Closing Meeting <ul style="list-style-type: none"> <li>Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timeline of CAR's, Conclusion)</li> <li>Comments, Responses and Questions</li> </ul>	All Auditor
12.00 – 14.00	PT SMM → Tanjung Pandan	
14.30 -	Tanjung Pandan → Jakarta	

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DATE	20 – 23 February 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 20 February 2023</b>		
06.10 – 07.15 08.00 – 10.00	<ul style="list-style-type: none"> <li>Jakarta → Tanjung Pandan</li> <li>Tanjung Pandan → Site</li> </ul>	HAI/SAS/JON/ART
10.00 – 12.00	<p>Opening meeting</p> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</li> </ul> <p>Document review &amp; Verification of Basic Information</p>	HAI  HAI/SAS/JON/ART
12.00 – 14.00	Break	HAI/SAS/JON/ART
14.00 – 17.00	<ul style="list-style-type: none"> <li>Document review</li> <li>Preparing for next day field visit (Maps, Daily Work Plan, Stakeholder list, etc)</li> </ul>	HAI/SAS/JON/ART
<b>Tuesday, 21 February 2023</b>		
08.00 – 12.00	<p>Field Observation to Tiong Sejahtera Cooperative; Gunung Nyerudong Sejahtera Cooperative, and BUMDES Balok Tebing Tinggi</p> <p>Aspect to be verified:</p> <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries); Conservation/HCV</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li> <li>Implementation of Environmental, and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Observation of Workers Facilities (Housing, School, Worship Place)</li> <li>-</li> </ul>	HAI/JON/ART
08.00 – 12.00	<p>Public Consultation :</p> <ul style="list-style-type: none"> <li>Government Agency of Belitung Timur (by phone)</li> <li>Gender Committee, Contractor, Worker Union, Village Representatif, Previous Land Owner, etc</li> </ul>	SAS
12.00 – 14.00	Break	HAI/SAS/JON/ART
14.00 – 16.00	Document review	HAI/SAS/JON/ART
16.00 – 16.30	Presentation of Daily Progress	HAI/SAS/JON/ART
<b>Wednesday, 22 February 2023</b>		

DATE	20 – 23 February 2023	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Verification of stakeholder consultation result and field visit.</li> </ul>	HAI/SAS/JON/ART
12.00 – 14.00	<ul style="list-style-type: none"> <li>Break</li> </ul>	HAI/SAS/JON/ART
14.00 – 16.00	<ul style="list-style-type: none"> <li>Document review and completing audit checklist.</li> <li>Verification of stakeholder consultation result and field visit.</li> </ul>	HAI/SAS/JON/ART
16.00 – 16.30	<ul style="list-style-type: none"> <li>Presentation of Daily Progress</li> </ul>	HAI/SAS/JON/ART
<b>Thursday, 23 February 2023</b>		
08.00 – 09.00	Closing Meeting	HAI/SAS/JON/ART
13.25 – 14.30	Tanjung Pandan → Jakarta	HAI/SAS/JON/ART