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**Figure 1. Location Map of PT. Bhumireksa Nusasejati (Teluk Bakau Factory)**

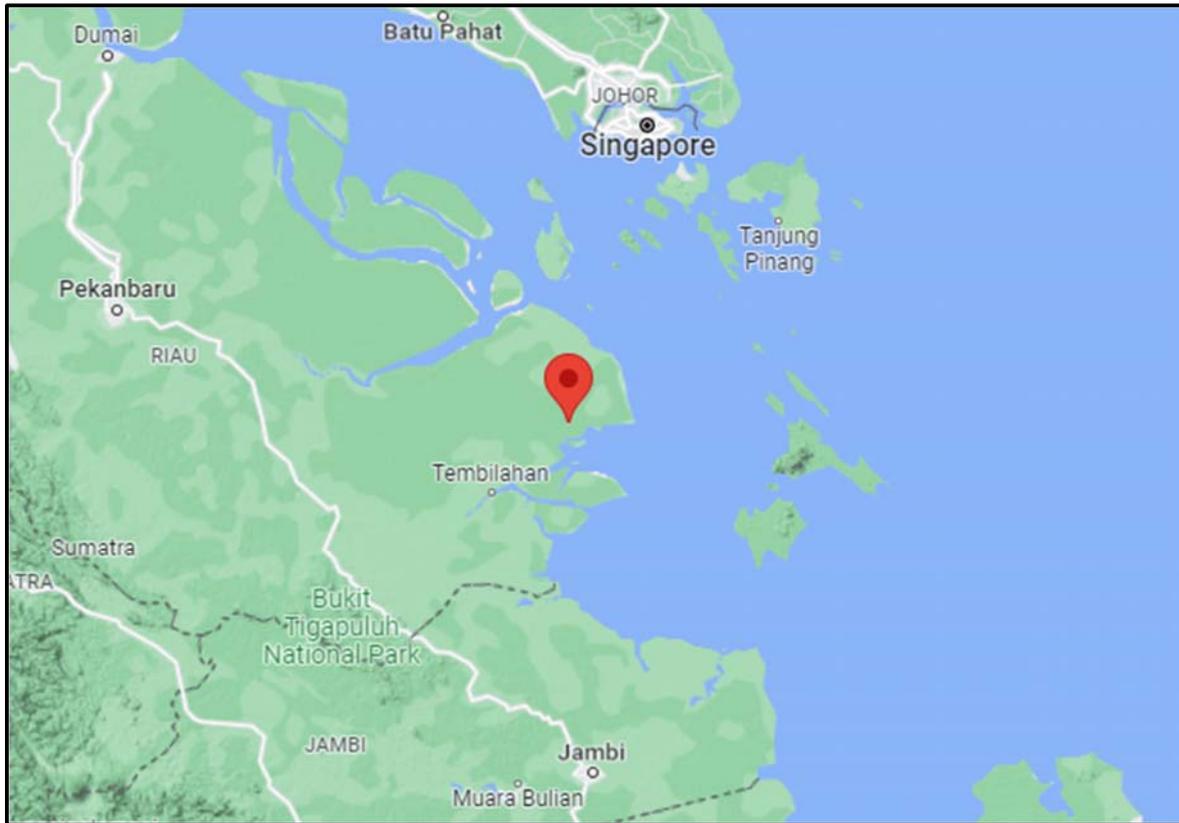


Figure 2. Operational Map of PT. Bhumireksa Nusasejati (Teluk Bakau Factory)



**Abbreviations Used**

ANDAL	:	<i>Analisis Dampak Lingkungan</i> (Environmental Impact Assessment)
BOB	:	<i>Barn Owl Box</i>
BOD	:	Biological Oxygen Demand
BRA	:	Bunch Reception Area
CH	:	Certification Holder
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
CSPK	:	Certified Sustainable Palm Kernel
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Corporate Social Responsibility
EFB	:	Empty Fruit Bunch
EIA	:	Environmental Impact Assessment
FFB	:	Fresh Fruit Bunch
FPIC	:	Free Prior Inform and Consent
FR	:	Frequency Rate
GHG	:	Green House Gas
GSEP	:	GAR, Social, and Environment Policy
HCV	:	High Conservation Value
HGB	:	<i>Hak Guna Bangunan</i> / Building Title
HGU	:	<i>Hak Guna Usaha</i> / Land Use Title
HIRAC	:	Hazard Identification Risk Assessment and Control
HPO	:	Head Plantation Officer
IPM	:	Integrated Pest Management
ISCC	:	International Sustainability & Carbon Certification
IUCN	:	International Union for Conservation of Nature and Natural Resources
LCC	:	<i>Land Cover Crops</i>
LSU	:	<i>Leaf Sampling Unit</i>
LUC	:	<i>Land Use Change</i>
MDE	:	Mandah Estate
MRC	:	Management Research Centre
MSDS	:	Material Safety Data Sheet
NLE	:	Nusa Lestari estate
NPE	:	Nusa Perkasa Estate
OER	:	Oil Extraction Rate
OFI	:	Opportunity for improvement
OHS	:	Occupational Health and Safety
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> OHS Committee
P & C	:	Principle & Criteria
Permen LHK	:	Peraturan Menteri Lingkungan Hidup dan Kehutanan (Regulation of the Ministry of Environment and Forestry)
PK	:	Palm Kernel
PMU	:	Performa Monitoring Unit
PIC	:	Person In Charge
PKB	:	<i>Perjanjian Kerja Bersama</i> (Collective Labor Agreement)
PMNP	:	Plantation Monitoring and Planning
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personnel Protective Equipment
PQMS	:	Plantation Quality Management System

PT	:	<i>Pekerja Tetap</i> (Permanent Worker)
RKL RPL	:	<i>Rencana Pengelolaan Lingkungan – Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSE	:	Rotan Semelur Estate
RTE	:	Rare, Threatened, Endangered
RTRWP	:	<i>Rencana Tata Ruang Wilayah Provinsil</i> Province Spatial Plan
RSPO	:	Roundtable on Sustainable Palm Oil
SEL	:	Environmental Evaluation Assessment ( <i>Studi Evaluasi Lingkungan</i> )
SHM	:	<i>Sertifikat Hak Milik</i>
SIA	:	Social Impact Assessment
SMD	:	Senior Managing Director
SOP	:	Standard Operational Procedure
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SSU	:	Soil Sampling Unit
TBE	:	Teluk Bakau Estate
TBF	:	Teluk Bakau Factory
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• <i>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020.</i></li> <li>• <i>RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020</i></li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	<b>PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Berhad</b>	
1.2.2	Contact person	Alagendran Maniam	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street Petaling Jaya, Malaysia 47301  Liaison Office: The Plaza Office Tower, 36 <sup>th</sup> Floor Jl. MH Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	<a href="mailto:alagendran.maniam@simedarbyplantation.com">alagendran.maniam@simedarbyplantation.com</a>	
1.2.7	Web page address	<a href="http://www.simedarbyplantation.com">www.simedarbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	Alagendran Maniam (Head of Sustainability)	
1.2.9	Registered as RSPO member	07 September 2004 (1-0008-04-000-00)	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	One Palm Oil Mill and supply bases: Teluk Bakau Factory (TBF), Teluk Bakau Estate (TBE), Nusa Lestari Estate (NLE) and Nusa Perkasa Estate (NPE)	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Teluk Bakau Factory	Rotan Semelur Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 15' 23"      E 103° 35' 20"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Teluk Bakau Estate	Rotan Semelur Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 11' 33"      E 103° 35' 49"

Nusa Lestari Estate	Rotan Semelur Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 11" 07"	E 103° 34' 05"
Nusa Perkasa Estate	Rotan Semelur Village and Penjuru Village, Pelangiran Sub-District, Indragiri Hilir District, Riau Province, Indonesia	N 0° 07" 02"	E 103° 36' 19"

**1.4.3 Smallholders inclusions in the certification process**

Are there are smallholders including the certificate	<i>NO</i>
When smallholder starting the certification	
Auditor justifications smallholder including RSPO Certifications Process	

**1.5 Description of Area Statement**

1.5.1	Tenure	
	• State	25,683.99 Ha
	• Community	- Ha
<i>*Total land use title area of PT Bhumireksa Nusasejati is 25,684 Ha. The rest of area (12,366.18 Ha) under scope of Mandah Factory</i>		

**1.5.2 Area Statement**

	Descriptions	Own Estate	Smallholder
•	<b>Total area</b>	<b>13,317.81</b>	<b>- Ha</b>
•	<b>Mature area</b>	8,962.81	- Ha
•	<b>Immature area</b>	1,092.63	- Ha
•	<b>Road/ Canal</b>	1,044.33	- Ha
•	<b>Building</b>	105.72	- Ha
•	<b>Mill</b>	21.99	- Ha
•	<b>Replanting Border</b>	160.11	- Ha
•	<b>Occupation/ Enclave</b>	1,889.23	- Ha
•	<b>Nursery</b>	30.30	- Ha
•	<b>Conservation</b>	10.69	- Ha
<i>*Total land use title area of PT Bhumireksa Nusasejati is 25,684 Ha. The total occupation area of PT Bhumireksa Nusasejati is 5,503.23 Ha and 5,485 Ha has been reduce from land use title of PT PT Bhumireksa Nusasejati on 16 February 2023</i>			

**1.6 Planting Year and Cycles**
**1.6.1 Age profile of planting year**

Planting Year	Hectarage (Ha)			
	Teluk Bakau Estate	Nusa Lestari Estate	Nusa Perkasa Estate	Total
2009	-	-	423.37	423.37
2011	-	-	56.26	56.26
2013	376.75	-	-	376.75
2014	472.42	409.74	420.29	1,302.45
2015	230.71	405.73	528.41	1,164.85
2016	400.36	269.29	399.49	1,069.14
2017	122.14	413.17	275.69	811.00

	<b>2018</b>	271.38	405.88	275.84	953.10		
	<b>2019</b>	530.96	544.01	1,347.35	2,422.32		
	<b>2020</b>	164.00	219.57	-	383.57		
	<b>Sub Total Mature</b>	<b>2,568.72</b>	<b>2,667.39</b>	<b>3,726.70</b>	<b>8,962.81</b>		
	<b>2020</b>	246.29	-	-	246.29		
	<b>2021</b>	521.93	324.41	-	846.34		
	<b>Sub Total Immature</b>	768.22	324.41	-	1,092.63		
	<b>TOTAL</b>	<b>3,336.94</b>	<b>2,991.80</b>	<b>3,726.70</b>	<b>10,055.44</b>		
1.6.2	New Planting area after January 2010		-		Ha		
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>	
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>
	Teluk Bakau Factory	45	133,480.59	30,325.89	22.72	5,733.14	4.30
	<i>*Production data source from 12 months before assessment (January 2023 – December 2023)</i>						
1.7.2	Description of Certification Scope of Supply Base						
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/h a/year)</b>	<b>Supplied to Mill</b>	
						<b>FFB (tonnes/year)</b>	<b>%</b>
	Teluk Bakau Estate	4,025.07	2,568.72	40,029	15.58	39,956	99.82
	Nusa Lestari Estate	3,456.74	2,667.39	37,118	13.92	37,030	99.76
	Nusa Perkasa Estate	5,836.00	3,726.70	45,375	12.18	44,433	97.93
	<b>TOTAL</b>	<b>13,317.81</b>	<b>8,962.81</b>	<b>122,522</b>	<b>13.67</b>	<b>121,419</b>	<b>99.10</b>
	<i>*Production data source from 12 months before assessment (January 2023 – December 2023)</i>						
	<i>*RSE also sent FFB to Teluk Bakau Factory that managed by PT Bhumireksa Nusasejati</i>						
1.7.3	FFB description from other source						
	<b>Name of sources/Organisation (RSPO certified / non- certified)</b>	<b>Type of Organisation</b>	<b>Number of Smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>		
					<b>FFB (tonnes/year)</b>		
	Rotan Semelur Estate (RSPO Certified)	Group PT Bhumireksa Nusasejati	-	2,227.16	1,352		
	PT Oscar Investama (RSPO Non Certified)	Independent Supplier	-	-	4,880		
	PT Riau Sawitindo Abadi (RSPO Non Certified)	Independent Supplier	-	-	5,829		
	<b>TOTAL</b>					<b>12,062</b>	
	<i>*Source Production Data on 12 months before assessment (January 2023 – December 2023)</i>						
1.7.4	Product categories		FFB, CPO, PK				

<b>1.8</b>	<b>Tonnage of Product</b>							
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)	Last Year Actual Certified Volume (January 2023 to December 2023) (MT)				
	FFB Processed		129,000	133,480.59				
	CPO Production		29,000	30,812.89				
	Palm Kernel (PK) Production		5,400	6,365.97				
1.8.2	Product selling							
	Type of selling product		Actual selling product for last year (January 2023 to December 2023) (MT)					
	CSPO sold as RSPO certified product		11,510.00					
	CSPK sold as RSPO certified product		5,092.29					
	CSPO sold under other scheme		-					
	CSPK sold under other scheme		-					
	CSPO sold as conventional		15,397.31					
	CSPK sold as conventional		388.82					
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estate(s)</b>	<b>Total Area (Ha)</b>	<b>Production Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Teluk Bakau Estate	4,025.07	2,568.72	42,000	16.35			
	Nusa Lestari Estate	3,456.74	2,667.39	39,000	14.62			
	Nusa Perkasa Estate	5,836.00	3,726.70	48,000	12.88			
	<b>TOTAL</b>	<b>13,317.81</b>	<b>8,962.81</b>	<b>129,000</b>	<b>14.39</b>			
	<i>*Production data source from 12 months before assessment (January 2024 – December 2024)</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Teluk Bakau Factory	45	129,000	29,090	22.55	5,354	4.15	MB
	<i>*Projected CSPO and CSPK production for 12 months of certificate (January 2024 – December 2024)</i>							
<b>1.9</b>	<b>Other Certifications</b>							
	ISO 9001:2008		-					
	ISO 14001: 2004		-					
	OHSAS 18001:2007		-					
	ISCC		-					
	ISPO		MUTU-ISPO / 078 valid until 04 April 2027					
<b>1.10</b>	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Estate (Supply Base)</b>	<b>Time Bound Plan</b>	<b>Location</b>	<b>Status</b>		
	<b>Mill</b>	<b>Time bound</b>						

INDONESIA					
Sekunyir.	2010	Sekunyir	2010	Seruyan and Kotawaringin Barat District, Kalimantan Tengah Province	Certified
PT. Indotruba Tengah		Seruyan	2010		Certified
Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010	Rokan Hilir District, Riau Province	Certified
		Manggala 2	2010		Certified
		Manggala 3	2010		Certified
Bukit Ajong PT. Sedjahtera Indo Agro	2010	West	2010	Sanggau District, Kalimantan Barat Province	Certified
		West (HGU on process)	2024		-
		East	2010		Certified
		East (HGU on process Sei Mawang)	2024		-
Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	Siak District, Riau Province	Certified
		Pinang Sebatang	2011		Certified
		Pinang Sebatang 448 Ha	2024		-
		Aneka Persada	2011		Certified
Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	Musi Rawas District, Sumatera Selatan Province	Certified
		Bukit Pinang	2012		Certified
Pematang. PT. Teguh Sempurna	2011	Pematang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
		Kawan Batu	2011		Certified
		Hatan Tiring	2011		Certified
		Batang Garing	2011		Certified
Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011	Rokan Hilir District, Riau Province	Certified
Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011	Indragiri Hilir District, Riau Province	Certified
		Nusa Perkasa	2011		Certified
		Nusa Lestari	2011		Certified
Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011	Indragiri Hilir District, Riau Province	Certified
		Rotan Semelur	2011		Certified
Angsana. PT Ladangrumpun Suburabadi	2011	Angsana	2011	Tanah Bumbu District, Kalimantan Selatan Province	Certified
		Gunung Sari	2011		Certified
		Pantai Bonati	2011		Certified
Mustika. PT Sajang Heulang	2013	Mustika	2013	Tanah Bumbu District, Kalimantan Selatan Province	Certified
Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	Kotabaru District, Kalimantan Selatan Province	Certified
		Gunung Kemasari	2011		Certified
		Laut Timur	2011		Certified
		Pantai Timur	2011		Certified
Bebunga.	2011	Bebunga	2011		Certified

PT. Langgeng Muaramakmur		Bakau	2011	Kotabaru District, Kalimantan Selatan Province	Certified
		Sungai Cengal	2011		Certified
Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011	Seruyan and Kotawaringin Timur District, Kalimantan Tengah Province	Certified
		Sapiri	2011		Certified
		Barasdanum	2011		Certified
		Kuala Kuayan	2011		Certified
Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	Kotabaru District, Kalimantan Selatan Province	Certified
		Pondok Labu	2012		Certified
		Rampa	2012		Certified
		Sesulung	2012		Certified
Rantau. PT Laguna Mandiri	2012	Rantau	2012	Kotabaru District, Kalimantan Selatan Province	Certified
		Matalok	2012		Certified
		Selabak (PT SAA)	2012		Certified
		Randi (PT SAA)	2012		Certified
		Sangkoh (PT SAA)	2012		Certified
		Lanting (PT LMR)	2012		Certified
Betung. PT Laguna Mandiri	2014	Betung	2012	Kotabaru District, , Kalimantan Selatan Province	Certified
		Sekayu	2012		Certified
Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012	Morowali District, Sulawesi Tengah Province	Certified
Ladang Panjang. PT Bahari Gembira Ria	2012	Ladang Panjang	2012	Muaro Jambi District, Jambi Province	Certified
		Ladang Panjang (HGU on process)	2024		-
Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	Musi Banyuasin District, Sumatera Selatan Province	Certified
		Rantau Panjang (HGU on process 1843,73 Ha)	2024		-
		Bumi Ayu	2012		Certified
		Karang Ringin	2012		Certified
		Napal	2012		Certified
		Napal (HGU on process)	2024		-
		Mangun Jaya	2012		Certified
		Mangun Jaya (HGU on process 1398.55 Ha)	2024		-
Sungai Jernih	2024	-			
Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	Aceh Tamiang and Aceh Timur District, Province Aceh	Certified
		Batang Ara (PT PSK)	2013		Certified
		Blang Simpo-01	2013		Certified
		Blang Simpo-02	2013		Certified
Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014	Ketapang District, Kalimantan Barat Province	Certified
		Awatan	2014		Certified
		Karya Palma (HGU on process 4760.70 Ha)	2024		-
		Pelanjau (PT BAL)	2019		Certified

		Pelanjau (HGU on process 4071.76 Ha)	2024		-
		Beturus (HGU on process 4071.76 Ha)	2024		-
<b>MALAYSIA</b>					
Sg Dingin SOU 1	2010	Bukit Hijau	2010	Kerangan, Kedah	Certified
		Padang Buluh	2010		Certified
		Bukit Selangor	2010		Certified
		Sg Dingin	2010		Certified
		Jentayu	2010		Certified
		Anak Kuli	2010		Certified
		Somme	2010		Certified
Chersonese SOU 2	2011	Chersonese	2011	Kuala Kurau, Perak	Certified
		Holyrood	2011		Certified
		Kalumpong	2011		Certified
		Tali Ayer	2011		Certified
Elphil SOU 3	2011	Kinta Kellas	2011	Sg Siput, Perak	Certified
		Elphil	2011		Certified
		Kamuning	2011		Certified
Flemington SOU 4	2011	Flemington	2011	Teluk Intan, Perak	Certified
		Bagan Datoh	2011		Certified
		Sabak Bernam	2011		Certified
		Sg Samak	2011		Certified
Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011	Teluk Intan, Perak	Certified
		Sabrang	2011		Certified
		Sg Wangi	2011		Certified
		Sogomana (Main Division)	2011		Certified
Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011	Teluk Intan, Perak	Certified
		Sogomana (Cashwood & Sg Beruas Division)	2011		Certified
		Bikam	2011		Certified
		Clumy	2011		Certified
Tennamaram SOU 6	2011	Tennamaram	2011	Bestari Jaya, Selangor	Certified
		Sungei Buloh	2011		Certified
		Bkt Talang	2011		Certified
Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011	Kapar, Selangor	Certified
		Bkt Cherakah	2011		Certified
		Bkt Rajah	2011		Certified
		Bkt Lagong	2011		Certified
		Elmina	2011		Certified
East SOU 8	2010	East	2010	Carey Island, Selangor	Certified
		Dusun Durian	2010		Certified
		Sepang	2010		Certified
West - SOU 9	2010	West	2010	Carey Island, Selangor	Certified

Bukit Putri - SOU 10	2011	Bukit Putri	2011	Raub, Pahang	Certified
Kerdau SOU 11	2011	Kerdau	2011	Temerloh, Pahang	Certified
		Jentar	2011		Certified
		Mentakab	2011		Certified
		Sg Mai	2011		Certified
		Chenor	2011		Certified
Jabor - SOU 12	2011	Jabor	2011	Kemaman, Trengganu	Certified
Labu SOU 13	2011	Labu	2011	Nilai, Negeri Sembilan	Certified
		New Labu	2011		Certified
		Bradwall	2011		Certified
Tanah Merah SOU 14	2010	Tanah Merah	2010	Port Dickson, Negeri Sembilan	Certified
		Sua Betong	2010		Certified
		Bukit Pelandok	2010		Certified
Sua Betong SOU 15	2014	Salak	2014	Port Dickson, Negeri Sembilan	Certified
		Sengkang	2014		Certified
		Siliau	2014		Certified
		PD Lukut	2014		Certified
		Sungai Baru	2014		Certified
		Tampin Linggi	2014		Certified
Kok Foh SOU 16	2011	Bukit Pilah	2011	Bahau, Negeri Sembilan	Certified
		Kok Foh	2011		Certified
		Muar River	2011		Certified
		St. Helier	2011		Certified
		Pertang	2011		Certified
		Sg Gemas	2011		Certified
		Sg Sebalang	2011		Certified
		Sg Senarut	2011		Certified
Kempas SOU 17	2010	Kempas	2010	Jasin, Melaka	Certified
		Kemuning	2010		Certified
		Tangkah	2010		Certified
Diamond Jubilee SOU 18	2011	Bukit Asahan	2011	Jasin, Melaka	Certified
		Diamond Jubilee	2011		Certified
		Serkam	2011		Certified
Pagoh SOU 19	2014	Pagoh	2014	Muar, Johor	Certified
		Lanadron	2014		Certified
		Pengkalan Bukit	2014		Certified
		Welch	2014		Certified
Chaah SOU 20	2010	North Labis	2010	Chaah, Johor	Certified
		Cha'ah	2010		Certified
		Sg Simpang Kiri	2010		Certified
Gunung Mas SOU 21	2010	Gunung Mas	2010	Kluang, Johor	Certified
		Kempas Klebang	2010		Certified
		Bukit Paloh	2010		Certified
		Yong Peng	2010		Certified
Bukit Benut SOU 22	2011	Bukit Benut	2011	Kluang, Johor	Certified
		CEP Niyor	2011		Certified
			Lambak / Elaeis		2011
Ulu Remis SOU 23	2011	Pekan	2011	Layang-layang, Johor	Certified
		Sembrong	2011		Certified

		Tun Dr. Ismail	2011		Certified
		Ulu Remis	2011		Certified
		Bukit Badak	2011		Certified
		Cenas	2011		Certified
Hadapan SOU 24	2011	CEP Rengam	2011	Layang-layang, Johor	Certified
		Kulai	2011		Certified
		Layang	2011		Certified
		Seri Pulai	2011		Certified
Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008	Sandakan, Sabah	Certified
		Tunku	2008		Certified
		Tigowis	2008		Certified
		Sentosa	2008		Certified
		Saguliud	2008		Certified
Melalap SOU 27	2011	Melalap	2011	Tenom, Sabah	Certified
		Sapong	2011		Certified
Binuang SOU 28	2009	Tingkeyu	2009	Kunak, Sabah	Certified
		Sungang	2009		Certified
		Jelata Bumi	2009		Certified
		Binuang	2009		Certified
Giram SOU 29	2009	Mostyn	2009	Kunak, Sabah	Certified
		Giram	2009		Certified
Merotai SOU 30	2009	Imam	2009	Tawau, Sabah	Certified
		Merotai	2009		Certified
		Table	2009		Certified
		Tiger	2009		Certified
Lavang SOU 31	2011	Belian	2011	Bintulu, Serawak	Certified
		Kelida	2011		Certified
		Lavang	2011		Certified
		Lavang (SE)	2011		Certified
		Rasan	2011		Certified
		Chartquest	2011		Certified
		Dulang	2011		Certified
		Peroh	2011		Certified
		Pekaka	2011		Certified
Ruai	2011	Certified			
Rajawali SOU 32	2011	Rajawali	2011	Bintulu, Serawak	Certified
		Samudera	2011		Certified
		Semarak	2011		Certified
		Bayu	2011		Certified
Derawan SOU 33	2011	Takau	2011	Bintulu, Serawak	Certified
		Damai	2011		Certified
		Derawan	2011		Certified
		Sahua	2011		Certified
<b>P &amp; G (New Britain Palm Oil)</b>					
Poliamba	2012	Kara	2012	Kevieng, New Ireland Province, P&G	Certified
		West Coast	2012		Certified
		Nalik	2012		Certified
		Noatsi	2012		Certified
		Madak	2012		Certified

		North (Smallholders)	2012		Certified	
		South (Smallholders)	2012		Certified	
		West (Smallholders)	2012		Certified	
Tetere	2011	Tetere	2011	Gudaicanal, Slomon Island	Certified	
		Ngalimbiu	2011		Certified	
		Mbalisuna	2011		Certified	
		West Zone (Smallholders)	2011		Certified	
		Central Zone (Smallholders)	2011		Certified	
		MBA East (Smallholders)	2011		Certified	
		MBA West (Smallholders)	2011		Certified	
Sangara, Sambiripa & Mamba	2013	Sangara	2013	Higaturu, Popondetta, Oro, P&G	Certified	
		Sumberipa	2013		Certified	
		Ambogo	2013		Certified	
		Embi	2013		Certified	
		Mamba	2013		Certified	
		Sorovi (smallholders)	2013		Certified	
	Igora (smallholders)	2013	Certified			
			Saiho (smallholders)		2013	Certified
			Aeka (smallholders)		2013	Certified
			Ilimo (smallholders)		2013	Certified
Gusap	2010	Dumpu	2010	Madang, P&G	Certified	
		Surinam	2010		Certified	
		Jephcott	2010		Certified	
		Gusap	2010		Certified	
		Paddox	2010		Certified	
		Ngaru	2010		Certified	
		Madang VOP (smallholders)	2010		Certified	
		Morobe VOP (smallholders)	2010		Certified	
Hagita	2013	Giligili	2013	Milne Bay, P&G	Certified	
		Hagita	2013		Certified	
		Waigani	2013		Certified	
		Sagarai	2013		Certified	
		Padipadi	2013		Certified	
		Mariawatte	2013		Certified	
		East Gurney	2013		Certified	
		West Gurney	2013		Certified	
		East Sagarai	2013		Certified	
West Sagarai	2013	Certified				
Mosa	2008	Bebere	2008	West New Britain	Certified	

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

This Time Bound Plan has been Approved by RSPO Secretariat on 13 July 2023. Sime Darby has achieved 34 management units in Malaysia, 25 management units in Indonesia, 10 management units in P&G that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in P&G. There is change of time bound plan, with detail:

- Uncertified area in PT Sedjahtera Indo Agro: postpone become 2024 due to HGU process
- Uncertified area in PT Bahari Gembira Ria: postpone become 2024 due to HGU process
- Uncertified area in PT Budidaya Agro Lestari: postpone become 2024 due to HGU process
- For Liberia operations: As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).  
<https://www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its->

	<a href="#">liberia-operation</a>
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	The Certificate Holder did not have associated with scheme smallholders.

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA 2.2</b>	<p>1. <b>Septian Maulana (Lead Auditor)</b>. Indonesian citizen, Bachelor of Economics, Pamulang University. Have experience as permanent staff on a coconut plantation palm. Training that has been attended includes certification of Candidates for Occupational Safety and Health Experts by the Ministry of Manpower and Indonesian Transmigration; Basic Fire Extinguishing and First Aid for Accidents (P3K); Awareness Management System Integrated (ISO 14001, and ISO 45001 in 2020); Awareness (ISO 19011, ISO 17065, and ISO 17021) in 2020; Lead ISO 9001:2015 Auditor in 2021, ISPO Lead Auditor in 2021, RSPO Lead Auditor in 2021, Social Awareness SMETA Audit in 2022 and RSPO ISH Standards Training in 2022, RSPO SCC Lead Auditor in 2023. In this audit he was verify SCC, Legality, TBP and Partial Certification.</p> <p>2. <b>Firda Tarunajaya (Auditor)</b>. Indonesian citizen, Bachelor of Forestry Majoring in Silviculture, Bogor Agricultural University. He has working as an Operational Staff in an Oil Palm Plantation Company in Indonesia. Attended trainings are Lead Auditor RSPO, Lead Auditor ISPO, ISO 9001:2015 by IRCA, Awareness ISO 14001:2015, Awareness SMETA, Awareness ISO 19011:2018, Awareness ISO 17021:2011 and Awareness ISO 17065:2012. During the audit, he verify worker welfare and transparency aspects</p> <p>3. <b>Alfiany Sukmawati (Auditor)</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 Lead Auditor Training by LPP, RSPO Lead Auditor Training by Checkmark, ISH Lead auditor training by RSPO, Lead Auditor ISO 9001:2015, Awareness ISO 17021, Awareness ISO 17065, Awareness ISO 9001, Awareness ISO 45001, and Awareness ISO 19011. During the audit, she verified best management practice and OHS aspect.</p> <p>4. <b>Dinda Febrima Napitupulu (Auditor Trainee)</b>. Bachelor of Social and obtaining her Double Degree Master Program in Environmental Science at Padjadjaran University Bandung and University of Twente The Netherlands. Experienced as Sustainability Officer, Internal Auditor for Environmental Management System (ISO 14001), and OHSAS 18001. She has participated in Quality Management System (ISO 9001), ISPO trainings, RSPO trainings, and SMETA awareness. During the audit, she verified the Environment, HCV, and GHG under the supervision of 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 auditors and 1 trainee auditor          Number of days for ASA 2.2 at site : 6 days          Number of working days for RC at site : 18 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 Bhumireksa Nusasejati to the requirements of <b>Principles and Criteria for Sustainable Palm Oil Production 2018, The Indonesia National Interpretation, Endorsed by the RSPO Board of Governors on 20 April 2020 and RSPO Certification Systems for Principles &amp; Criteria and RSPO Independent Smallholder Standard Endorsed by the RSPO Board of Governors on 12 November 2020.</b></p> <p>PT Bhumireksa Nusasejati (PT BNS) it's a subsidiary of Sime Darby Plantation Berhad. It has two palm oil mills (Mandah POM and Teluk Bakau POM) and five estates (Teluk Bakau Estate; Mandah Estate; Rotan Semelur Estate; Nusa Perkasa Estate and Nusa Lestari Estate). Both mills have been certified RSPO with the scope of certification as described:</p> <ul style="list-style-type: none"> <li>• Mandah Palm Oil Mill with Supply base Mandah Estate and Rotan Semelur Estate.</li> <li>• Teluk Bakau Palm Oil Mill with Supply base Nusa Lestari Estate; Teluk Bakau Estate and Nusa Perkasa Estate.</li> </ul> <p>ASA 2.2 Teluk Bakau POM is conducted simultaneously with RC in Mandah POM. Due to the two certification units are in one entity (PT Bhumireksa Nusasejati), therefore the documents related to legal, social, environmental, CSR,</p>

SOP/work instructions and company policy are the same. The difference from both certification units is related to the field implementation. In addition, every work agreement with an external party is created on behalf of PT Bhumireksa Nusasejati.

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.

Some opportunities for improvement of the results in 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.

Auditor team started the trip from Jakarta to Batam and continued to the site on January 15, 2024. The opening meeting was conducted on January 15, 2024. It was attended by the Area Controller, Estate Managers, Mill Manager, Senior Assistants, Assistants, the Head of Administration, Sustainability staff, and other personnel. The closing meeting was on January 20, 2024. It was attended by the same participants as the opening meeting. PT BNS accepts all recommendations from auditors.

Public stakeholder notification was announced on MUTU Website. There is no written negative feedback received. Stakeholder consultation involved internal and external stakeholders. The discussion was held with stakeholders to gain information regarding their views on the company's operational activities and the requirements from RSPO.

The interview with employees is based on sampling. The contacted stakeholder list contacted can be found in Appendix 1.

In general, the audit was conducted according to the audit plan. The company has a proper document presentation and competent personnels.

The assessment program please find Appendix 2.

2.2.3	<b>Locations of Assessment</b>
ASA 2.2	<p>The sampling location consider the issue arose from the review documents and stakeholder's consultation that are fundamental and crucial. On this assessment sample locations that visited and respondent that interviewed by team auditor are:</p> <p><b>PT BNS (Teluk Bakau POM)</b></p> <ul style="list-style-type: none"> <li>• <b>Grading Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Loading Ramp Station.</b> Observations and interviews related work procedure, safety aspect, worker welfare etc.</li> <li>• <b>Security post.</b> Interview with security related to work procedure, emergency response, worker welfare, OHS implementation in mill, and supply chain aspect.</li> <li>• <b>Weighbridge station.</b> Interview with worker related to supply chain aspect and worker welfare.</li> <li>• <b>Sterilizer Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> <li>• <b>Thresher Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> <li>• <b>Press Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> <li>• <b>Clarification Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> <li>• <b>Nutt &amp; Kernel Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> <li>• <b>Engine Room Station.</b> Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.</li> </ul>

- **Boiler Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Empty Bunch Press Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Incinerator Station.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Chemicals Warehouse.** Field observations about the management of the warehouse area from the aspect of OHS, MSDS, warehouse security, and environment. 1 Officer
- **Warehouse of hazardous and toxic materials.** Field observations about the management of the warehouse area from the aspect of OHS, MSDS, warehouse security, and environment.
- **Fuel Tank.** Field observations about aspect of OHS, MSDS, and security.
- **PPE warehouse.** Field observation about the PPE Stock.
- **Firefighting warehouse and simulation of firefighting equipment.** Material handling observations for OHS and simulations
- **WTP.** Field observations and interviews about aspect of OHS, MSDS, warehouse security, and environment.
- **Temporary warehouses of hazardous and toxic materials.** Field observations on storage, OHS aspects, and environmental safety.
- **Workshop.** Field observations and interview related to working procedure, OHS, PPE, worker, and social aspect.
- **WWTP.** Observation and interview with worker related to POME management, work procedure, OHS, environmental and worker welfare aspect.
- **Water intake.** Observation and interview with worker related to water management, work procedure, OHS, environmental and worker welfare aspect.
- **Housing TBF.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.

**PT BNS (Teluk Bakau Estate)**

- **HGU Pole No. BNS05 and BNS016.** Observation related legal boundaries and potential land dispute
- **Replanting Boundary.** Observation related condition of boundary replanting
- **Nurseries, Block E06 Division 2.** Field observations regarding work procedures, OHS, PPE, labor, and social aspects.
- **Agrochemical Storage.** Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- **Fertilizer Storage.** Observation and interview with worker related to chemical management, OHS, and environmental aspect.
- **Temporary Hazardous Waste Storage.** Observation for OHS, waste disposal, and environmental aspects.
- **Firefighting Equipment Storage.** Observation and interview with worker related to hazardous waste management, OHS, and environmental aspects
- **Sparepart and PPE Storage.** Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- **Clinic.** Observation and interview with worker related to clinic condition, OHS, and environmental aspects.
- **Fuel and Oil Tank.** Observation and interview with worker related to storage activity, OHS, environmental and worker welfare aspect.
- **Subsidence Poles Block E6 Division 2.** Observation subsidence in plantations with varying peat qualities, depths and drainage circumstances
- **Piezometer Poles Block E6 Division 2.** Water level observation
- **Weeding Manual Block E11 Division 4.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Harvesting, Block D09, Division 3.** Field observations and interviews regarding work procedures, OHS, PPE, labor, and social aspects.
- **Spraying Block E10 Division 4.** observations and interviews regarding work procedures, OHS, PPE, labor, and social aspects.
- **Housing Division 3.** Observations and interviews related to work procedures, employment systems, OSH,

environmental aspects and grievance mechanisms.

- **Landfill Division 3.** Observations related to domestic waste management.
- **Child Daycare Division 3.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **BSS and BMS (Block Spraying/Manuring System) House Division 2.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Hazardous Waste Temporary Storage in Division 2.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.

**PT BNS (Nusa Lestari Estate)**

- **HGU Pole No. 100 Block G12 Division 3.** Observation related legal boundaries and potential land dispute
- **Planting Year 2021 Block G007.** Observation about replanting activity.
- **Fire Monitoring Tower Block F006 and G009.** Observation regarding emergency respond preparedness and fire monitoring.
- **Harvesting Block G16, G17 Division 4.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Weeding Manual Block G12 Division 3.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Subsidence Poles Block F15, G16 Division 4.** Observation subsidence in plantations with varying peat qualities, depths and drainage circumstances.
- **Piezometer Poles Block G16 Division 4.** Water level observation.
- **Water Gate Collector 2 Block G16.** Water level observation.
- **Beneficial Plant Block F15 G16.** Observation *Antigonon Leptopus* and *Turnera Subullata*, EWS and Pest Management.
- **Firefighting Equipment Storage.** Observation and interview with worker related to hazardous waste management, OHS, and environmental aspects
- **Landfill Area Limau Division.** Observation of domestic waste management.
- **Housing Limau Division.** Observation related worker facility and environmental aspects.
- **Fertilizer storage.** Observation about storage condition, fertilizer stock, and OHS implementation.
- **Temporary Hazardous Waste Storage.** Observation for OHS, waste disposal, and environmental aspects.
- **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.
- **Daycare.** Observation and interview related to work procedure, employment, and grievance mechanism.

**PT BNS (Nusa Perkasa Estate)**

- **HGU Pole No. BNS 20.** Observations related to the legality boundaries of the company's operational land.
- **HCV-3 Wildlife Ecosystem Area in Block E011.** Observations related to conservation area management.
- **Housing Area Division 1.** Observation related to availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
- **Daycare at Division 1.** Observation related to facility, OHS and worker welfare aspects.
- **Rinse House and Sprayer Work Tools Room Division 1.** Observation and interview related work procedure, employment, safety, and environmental aspect.
- **Spraying Block E003 Division 1.** Observations and interviews with workers related to implementation of procedure, OHS and environmental aspect.
- **Harvest, Block E001 Division 1.** Observations and interviews with workers related to the work system, employment aspects, health checks, and safe work practices.
- **Fire Tower in Block D001 Division 1.** Observations related to land fire infrastructure owned by the company.

- **Barn Owl Box, Block E001 Division 1.** Observations regarding the condition of the owl cage, the effectiveness of the owl cage for rat control.
- **Subsidence Poles.** Observation subsidence in plantations with varying peat qualities, depths and drainage circumstances.
- **Water Gate in KM 17 Division 3 Block D012.** Observation related water managements in peat area.
- **Landfill Division 1.** Observations related to domestic waste management.
- **Slashing Weeds Worker Block E005 Division 1** (working as the fertilizer and pesticide applicators in daily. Observation and interviews with foreman and worker, worker welfare OHS, and employment.
- **Piezometer Poles.** Water level observation.
- **Warehouse for Oil and Diesel Tanks.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Generator House.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Hazardous Waste Temporary Storage.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Workshop.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Labor Union Office (SPSI).** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Pesticide/Chemical Warehouse.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Spare Parts Warehouse and Logistics.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.
- **Fertilizer Placement Area.** Observations and interviews related to work procedures, employment systems, OSH, environmental aspects and grievance mechanisms.

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA 2.2</b>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for PT Bhumireksa Nusasejati was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on MUTU website on December 29, 2023.</li> <li>• Public consultation meeting with government institution (Environmental and Sanitation Agency, Land Office, Manpower and Transmigration Agency, Plantation Agency Indragiri Hilir Regency) on January 16, 2024.</li> <li>• Public consultation meeting with representative from Makmur Jaya Village and Pelangiran Village on January 16, 2024.</li> <li>• Public consultation meeting with internal stakeholders (gender committee and Labour Union Teluk Bakau Estate, Nusa Lestari Estate, Nusa Perkasa Estate, and Teluk Bakau Factory), contractor (Transporter PK PT Pelayaran Sinar Pagoda and housing renovation CV Heng Heng), and FFB supplier (PT Oscar Investama) on January 16, 2024.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Bhumireksa Nusasejati.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA 2.3 will be conducted thirty six (36) months after the annual license.

**3.0 ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Teluk Bakau POM – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Berhad operation consisting of one (1) mill and four (3) oil palm estates.

During the assessment, there was one Nonconformities were assigned against Major Compliance Indicator and one nonconformity was assigned against Minor Compliance Indicators.

MUTUAGUNG LESTARI found that Teluk Bakau POM – PT Bhumireksa Nusasejati subsidiary of Sime Darby Plantation Berhad operation complied with the requirements of RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard, endorsed by the RSPO Board of Governors on 12 November 2020 and Indonesia National Interpretation of Principles and Criteria for Sustainable Palm Oil Production 2018, endorsed on 20th April 2020.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 BEHAVE ETHICALLY AND TRANSPARENTLY</b>	
<b>1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
<p><b>1.1.1</b> The unit of certification has a list of information/documents that can be accessed and/or shared with stakeholders such as government agencies, external audits and NGOs listed in the SOP Request for Information (RSPO/1.1/PI) dated 01 June 2014. The document contains 15 types of documents that can be accessed by stakeholders, including the following:</p> <ul style="list-style-type: none"> <li>• Social and Environmental Documents: Environmental impact analysis documents, HCV identification reports, SIA identification reports, community empowerment program reports, procedures for handling social conflict, continuous improvement program documents, complaints and dissatisfaction reports.</li> <li>• Legality Documents: Evidence of ownership of land rights, Human Rights policy documents, RSPO and ISPO audit report documents.</li> <li>• Employment Documents: Work health and safety implementation plan documents, number of employees and list of basic wages as well as <i>BPJS</i> payment receipts, <i>NPWP</i> and tax data, and Occupational Health and Safety Advisory Committee Reports.</li> </ul> <p>Meanwhile, documents that cannot be accessed by the public which are company secrets include: financial data such as expenses and income, as well as details related to customers and/or suppliers as well as data related to individual privacy. In addition, there are several other documents that can be accessed publicly and reported periodically to relevant government agencies such as <i>RKL-RPL</i> reports, fire handling reports, waste management and so on</p>	
<p><b>1.1.2</b> The company provides information in Bahasa and accessible to relevant stakeholders, for instance:</p> <ul style="list-style-type: none"> <li>• The environmental management report is conducted every semester and submitted to Environmental and Sanitation Agency Indragiri Hilir District, Environment and Forestry Agency Riau Province, and Ministry of Environment and Forestry. It can be confirmed by the submitted report for second semester 2023 for Teluk Bakau Factory with the electric signed ID 1705593379-7824.</li> <li>• Mandatory Employment Report in the company (<i>WLTK</i>) to the Ministry of Manpower PT Bhumireksa Nusasejati Nusa Lestari Estate with reporting number 29255.20240108.0001 on January 08<sup>th</sup>, 2024 and obligation to report again on January 08<sup>th</sup>, 2025.</li> </ul>	

- Mandatory Employment Report in the company (*WLTK*) to the Ministry of Manpower PT Bhumireksa Nusasejati Nusa Persada Estate with reporting number 9255.20231222.0001 on December 22<sup>nd</sup>, 2023 and obligation to report again on December 22<sup>nd</sup>, 2024
- Mandatory Employment Report in the company (*WLTK*) to the Ministry of Manpower PT Bhumireksa Nusasejati Teluk Bakau Estate with reporting number 29255.20240104.0001 on January 01<sup>st</sup>, 2024 and obligation to report again on January 01<sup>st</sup>, 2025
- Mandatory Employment Report in the company (*WLTK*) to the Ministry of Manpower PT Bhumireksa Nusasejati Teluk Bakau Factory with reporting number 29255.20240106.0001 on June 01<sup>st</sup>, 2024 and obligation to report again on June 01<sup>st</sup>, 2025
- Reporting contract workers (*PKWT*) at Nusa Lestari Estate in Decree Number 156/Nakertrans-INHIL/HISK/668 to the Manpower and Transmigration Office of Indragiri Hilir Regency on February 01<sup>st</sup>, 2023.
- Submission of Investment Activity Report for Quarter IV 2023 Number LK2789513 dated January 9 2024 (Estate) online.
- Investment Activity Report for Quarter IV 2023 Number LK2830292 dated January 9 2024 (Mill) online.
- PT BNS HGU Utilization Report for 2022 to the Indragiri Hilir Regency Land Agency on January 11 2024.
- Plantation Business Development Report (LPUP) of PT Bhumireksa Nusasejati for 1<sup>st</sup> semester of 2023 (No. 002/BNS-LKUP/VIII/2023) which was submitted to the Indragiri Hilir Regency Plantation Service on 15 August 2023.
- Plantation Business Development Report (LPUP) of PT Bhumireksa Nusasejati for 2<sup>nd</sup> semester of 2023 (No. 002/BNS-LKUP/II/2024) which was submitted to the Indragiri Hilir Regency Plantation Service on January 12 2024.
- Report on the Preparedness of Plantation Land Fire Control Systems, Facilities and Infrastructure PT Bhumireksa Nusasejati for 2<sup>nd</sup> semester of 2023 (No. 001/BNS/UM/PSD/2024) which was submitted to the Indragiri Hilir Regency Plantation Service on 19 January 2024.
- *P2K3* report of PT Bhumireksa Nusasejati – Teluk Bakau Estate for the 4<sup>th</sup> quarter of 2023 submitted to the Manpower and Transmigration Office of Riau Province on December 29 2023.
- *P2K3* report of PT Bhumireksa Nusasejati – Nusa Perkasa Estate for the 4<sup>th</sup> quarter of 2023 submitted to the Manpower and Transmigration Office of Riau Province on 04 January 2024.
- *P2K3* report of PT Bhumireksa Nusasejati – Nusa Lestari Estate for the 4<sup>th</sup> quarter of 2023 submitted to the Manpower and Transmigration Office of Riau Province on 04 January 2024.
- *P2K3* report of PT Bhumireksa Nusasejati – Teluk Bakau Factory for the 4<sup>th</sup> quarter of 2023 submitted to the Manpower and Transmigration Office of Riau Province on 04 January 2024.

### 1.1.3

PT Bhumireksa Nusasejati has procedures for providing information to stakeholders which are stated in the SOP for Information Requests (document No. 001/BNS/PI/IX/2016 dated 02 September 2016). This procedure aims to provide guidance in preparing answers to requests for information from stakeholders addressed to the Operational Unit. Procedures include explaining the process flow for receiving and handling information requests. Responses to requests for information are made within 14 days after the letter is received by the company.

Based on the log book of incoming and outgoing letters for the 2023 period (January - December), it is known that there were several requests for information in the form of financial assistance, heavy equipment loans, and others related to CSR. The certification unit has also responded to requests for information from stakeholders, for example, there is a letter requesting assistance on October 16<sup>th</sup>, 2023 from the Gurah Baru Community regarding a request for assistance for repairing the sluice gate at the Km. 0. The company immediately responded on October 16<sup>th</sup>, 2023 and provided assistance in the form of 3 pipes with a diameter of 10 inches and 200 liters of diesel.

Apart from that, there is a letter requesting assistance from SDS 20 Dwimas Sejati Sub District of Pelangiran, District of Indragiri Hilir with Letter Number. 155/BNS-NPE/II/2024 on January 8<sup>th</sup>, 2024, and the Company approved the request for assistance through letter Number. 03/BNS-NPE/II/2024 on January 11<sup>th</sup>, 2024.

Based on the document review above, it is known that the records of information requests and responses have been recorded by the certification unit and the time period for providing responses is also in accordance with existing procedures.

### 1.1.4

Based on interviews with management representatives, information was obtained that there were no differences regarding information request and response procedures from previous audit activities. The certification unit shows the SOP *pemberian*

*informasi kepada para pemangku kepentingan (stakeholder)* that have been listed in the SOP for Information Requests (document No. 001/BNS/PI/IX/2016 on 02 September 2016). The procedures include explaining the flow of the process for receiving and handling information requests. These procedures are routinely socialized to all parties such as workers and stakeholders. As proof of implementation, the auditor conducted interviews with the contractor (CV Heng Heng), PK Transporter (PT Pelayaran Sinar Pagoda), the surrounding village (Pelangiran, Makmur Jaya and Teluk Bunian Village) and the local government agency (Manpower and Transmigration Agency of Indragiri Hilir Regency), it is known that the stakeholders already know the mechanism for requesting and providing information as well as communicating and submitting complaints to the company, namely verbally through direct meetings or telephone and can also be through letters.

**1.1.5**

The certification unit has provided an updated list of stakeholders in December 2023 for PT BNS consisting of legal entities (provincial government, regional government, village/hamlet government, police/TNI), NGOs, FFB suppliers, contractors, community/religious/educational organizations, community/traditional leaders and worker organizations (bipartit committee, trade unions, gender committees and employee cooperatives). The document contains a list of names, types of relevant stakeholders, stakeholder addresses and stakeholder contacts.

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

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

**1.2.1**

The Certification unit had a policy concerning on the ethical codes in all operational activities and transactions. This policy is stated in the Code of Business Conduct (COBC) of Sime Darby Plantation which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. This policy generally explained that their ethical code is here as follows:

- Collaborating, respecting each other, equal opportunity, non-discrimination, and protecting human rights.
- Avoid conflicts of interest.
- Avoid bribery and corruption.
- Ensuring the confidentiality of the information and preventing the abuse of obtained information through the company's operational activities.

In the above policy document, matters related to the code of ethics have been explained for example, the principles of the code of ethics; conflict of interest; accurate report; bribery & illegal acts or unethical trade practices; entertainment and gifts; abuse of office; insider trading; confidentiality; limitation of application; media relations; and others.

This policy covers all operational activities of PT Bhumireksa Nusasejati, including the prohibition of corruption, bribery and fraud in the use of funds and resources as well as compliance with reasonable business practices. All these policies have been conveyed to all parties such as workers and stakeholders who have relationships with the certification unit. As proof of implementation, when auditors conducted field visits and interviews with sample workers in factory and plantation units, they understood the unethical policies that apply in the certification unit. Then, as a result of interviews with representatives of the contractor (CV Heng Heng), PK Transporter (PT Pelayaran Sinar Pagoda), the surrounding village (Pelangiran, Makmur Jaya and Teluk Bunian Village) and the local government agency (Manpower and Transmigration Agency of Indragiri Hilir Regency), it was discovered that the code of ethics policy had been submitted periodically and implemented in all business operations and transactions, including recruitment and contracts.

Based on the explanation above, it can be concluded that the certification unit has committed to act ethically in all business operations and transactions in accordance with the code of ethics policy that has been approved by the company.

**1.2.2**

The certification unit has a several methods to monitor compliance and the implementation of overall ethical business policies

and practices, such as internal audit and field monitoring. Every contractor has received a socialization regarding the policy of the code of ethics given at the time of signing the works agreement and the contractor has a Vendor Integrity Pledge, in which it is committed to comply with all applicable codes of ethics in the company.

In addition, there is also a whistleblowing mechanism listed in the Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. This mechanism can be used by workers to ensure that the identity of the complainant does not want to be known. This policy establishes the flow of complaints/reports of violations in which Sime Darby Group employees, without worrying, are willing to convey the possibility of fraudulent practices occurring within the certification unit. The policy explains the reporting mechanism, namely reporting directly to superiors.

The company also carries out regular internal audits to ensure operational units comply with policies and SOPs. The scope of the internal audit is the compliance of each unit in the plantation and factory with all aspects contained in the RSPO P&C such as labor, environmental, BMP and other aspects.

Based on the results of interviews with sample workers in factory and plantation units, information was obtained that they knew about the company's policy on ethical business practices in all work operations. Apart from that, interviews with contractors revealed that this policy had been socialized, for example when signing the contract.

**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 unit of certification complies with applicable legal requirements, for instance:

**Compliance with Social and Environment Regulation:**

- Environmental Impact Analysis (AMDAL) document in 1996 PT BNS Oil Palm Plantation with area 25,662 Ha and Teluk Bakau POM with capacity 60 tons of FFB/hour. The document was approved by the Ministry of Agriculture, Agency for Agribusiness with ratification document number 07/BA.5.3/V/1996 on May 17, 1996. There are also RKL-RPL which was approved by the Minister of Agriculture based on decree number 093/ RKL-RPL on May 14, 1996.
- Due to the addition of a new mill, namely Mandah Factory, PT BNS conducted a new environmental study as stated in the UKL-UPL document for the scope of POM with capacity 45 tons/hour. The document was approved by the Head of the Department of Environment, Mining and Energy Indragiri Hilir District by Decree No. 660/DLHPE-PDL/XII/2008/289 on November 13, 2008.
- Temporary Storage for Hazardous and Toxic Waste in Teluk Bakau Factory: DPMPSTP Decree Indragiri Hilir District Number 503/DPMPSTP-IPL.B3/ XII/2019/16 on December 20, 2019 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Service number 660.3/DLHK-PPKL/Rek/XII/20 on April 10, 2019.
- Temporary Storage for Hazardous and Toxic Waste Permit for 5 estates in PT Bhumireksa Nusasejati (Mandah Estate, Rotan Semelur Estate, Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate): DPMPSTP Decree of Indragiri Hilir District Number 503/DPMPSTP-IPSL.B3/2 on March 15, 2018. It is still valid until the company has some changing in its operational activities. The company has the updated Technical Details for hazardous and toxic waste including the medical waste.
- PT Bhumireksa Nusasejati has permit for Teluk Bakau Factory to dispose POME to the water point based on Decree of DPMPSTP Indragiri Hilir District no 503/DPMPSTP-IPAL/02, ratified on March 15, 2018, this permit is still valid as long as there is no change in POME discharged method.
- Water Utilization Permit for PT Bhumireksa Nusasejati Teluk Bakau Factory issued by DPMPSTP Indragiri Hilir District on December 6, 2022 with the OSS system. In accordance with the Minutes of Field Observation No. 08/DPMPSTP-INHIL/BA.LAP-TT-SIPAP/IX/2022 on September 19, 2022. The water is from the upstream canal owned by the company from Guntung Kateman River in Rotan Semelur Village, Pelangiran, Indargiri Hillir, Riau.

**Compliance Worker Welfare**

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

**Compliance with Legality Regulation:**

Unit management shows evidence related to legality implementation, includes:

- Land Use Title Certificate:
  - HGU certificate No. 01 of 1996 for an area of 11,471.9 Ha  
Based on Letter of Relinquishment of Land Rights No. NT.0102/175.3/14.04/11/23 dated 16 February 2023 has released land rights covering an area of 290.1 hectares so that the area of land rights for HGU Certificate Number 01 is 11,471.9 hectares.
  - HGU certificate No. 02 of 1996 for an area of 8,705.1 Ha  
Based on Letter of Relinquishment of Land Rights No. NT.0102/175.1/14.04/11/23 dated 16 February 2023, Land Rights for 418.6 Ha (Field: 00034) and 4,776.3 Ha (Field 00035) have been released so that the land rights for HGU Certificate Number 02 are 8,705.1 Ha.
  - HGB certificate No. 01 of 2000 for an area of 88,125 Ha
  - HGB certificate No. 02 of 2000 for an area of 13,179 Ha
- Plantation Business Permits
  - Plantation Business Registration Letter Number No: HK.350/184/Bun.5/III/2001 dated 16 March 2001 for the area covering 25,662 Ha and mill capacity 30 Tons FFB / hours (Teluk bakau Factory)
  - Letter from head of licensing, investment, and promotion agency district of Indragiri Hilir No. 503/BP2MPD-IUP-PK/XII/2014/1 dated 19 December 2014, concerning mill extension capacity of PT Bhumireksa Nusasejati – Teluk bakau Factory, from 30 Tons of FFB/hour to 60 Tons of FFB/Hour.
  - Letter from head of licensing, investment, and promotion agency district of Indragiri Hilir No 503/BP2MPD-IUP-PV/III/2013/1 dated 22 August 2022 regarding the granting of Plantation Bussines Permit – Processing with capacity 45 Tons of FFB/Hour.

**Compliance with Best Management Practice**

In term of best management practices, it was known that estate and mill management has implementing several pursuance with Indonesia laws and regulations, for example are:

- The company doesn't use fire for pest control.
- The company does not use invasive species that are introduced according to the regulations in force in the managed area.
- The company has used registered pesticides.
- The company has used certified seeds.

**Compliance with OHS**

The certification unit has an OHS organization for each for plantations and mill as stated in:

- **Teluk Bakau Estate:** Decree of the Head of the Riau Province Manpower and Transmigration Service Number KEP.263/DISNAKERTRANS-PK/SK-P2K3/VII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on July 27 2023 with the secretary of the K3 Committee on behalf of KK (initials).
- **Nusa Lestari Estate:** Decree of the Head of the Manpower and Transmigration Service of Riau Province Number KEP.312/DISNAKERTRANS-PK/SK-P2K3/VIII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on 22 August 2023 with the secretary of the K3 Committee on behalf of LES ( initials).
- **Teluk Bakau Factory:** Decree of the Head of the Riau Province Manpower and Transmigration Service Number KEP.313/DISNAKERTRANS-PK/SK-P2K3/VIII/2023 concerning Approval of the Management of the Occupational

Safety and Health Advisory Committee (P2K3) on 22 August 2023 with the secretary of the K3 Committee on behalf of KK (initials).

- **Nusa Perkasa Estate:** Decree of the Head of the Manpower and Transmigration Service of Riau Province Number KEP.165/DISNAKERTRANS-PK/SK-P2K3/XII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on December 28 2023 with the secretary of the K3 Committee on behalf of LES (initials).

**2.1.2**

Based on interviews with management representatives, information was obtained that there were no differences regarding legal requirements procedures with previous audit activities. This is stated in the Legal Requirements Procedure, on May 1, 2017. The procedures include explaining that regulations can be obtained and updated by contacting government and non-government agencies to ensure that the latest regulations apply, including international, national, and local and actively visit related websites. The procedure states that to monitor and update statutory regulations, the sustainability and legal department needs to actively examine and coordinate with Government Agencies or Institutions.

As an implementation of this procedure, the certification unit issues a legal register document containing regulations that must be fulfilled and are relevant to the company's operational activities, including for third parties who work for the company (contractors). The list of compliance with statutory regulations was updated on December 2023. This document is an inventory of national and regional regulations related to legal, employment, OHS, plantation, legality and environmental aspects. Furthermore, the list of related laws already contains the latest related laws, for example the implementation of Government Regulation (PP) Number 36 of 2021 concerning Workers' Wages. Apart from internally within the company, the company also periodically evaluates the legal compliance of contractors working with the company. The types of evaluation carried out include contract compliance, contractor quality and performance, accuracy of work completion, compliance with labor regulations, OHS, housekeeping and the environment. This is explained in more detail in indicator 2.2.2.

**2.1.3**

The procedure of boundary pole maintenance is still the same as the previous assessment listed on procedure of Boundaries Pole (HGU) Maintenances (No. 6/BNS-PPHGU/VII/15 dated 4 July 2015). On the procedure described the maintenance carried out by each unit and monitoring carried twice a year.

The company can show recordings of HGU stake monitoring carried out by all units. Then, based on the results of field observations on several samples of HGU stakes (NLE No. BNS100, TBE No. BNS05 dan BNS016, dan NPE No. BNS20), it is known that the HGU stakes are in a well-maintained condition. and there is no planting that crosses the line.

**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 company already has a list of contractors for 2023 which is contained in the list of stakeholders updated on December 2023. The list contains information regarding the name of the contractor, person in charge, address and telephone/email where they can be contacted. The types of services listed in the list of contractors are FFB transportation, CPO transportation, CPO and PK transportation workers, and hazardous waste transportation. The contractor is still actively doing his work at PT BNS.

In the list of contractors there are 39 contractors, including PT Unggul Samudra Raya as the CPO Transporter, PT Pelayaran Sinar Pagoda as the PK Buyer, PT Polodod Bahagia Bersama as the Harvester Contractor and CV Heng-Heng as Infrastructure Contractor.

Based on the description above, it shows that the company already has a list of contractors.

**2.2.2**

The company has the latest list of stakeholders for the period January 2024. It is known that there are 39

contractors/suppliers, including PT Oscar Investama and PT Riau Sawitindo Abadi as FFB suppliers.

Based on the results of the document review, there is a Work Agreement between PT BNS and PT Oscar Investama. The work agreement is in Addendum III to the Palm Oil TBS Sale and Purchase Agreement Letter No. 01/OCP/BNS-OSCAR/XI/2022 dated 12 October 2023 which is valid until 31 December 2024 and TBS sale and purchase agreement with PT Riau Sawitindo Abadi, in Addendum II to Palm Oil FFB Sales and Purchase Agreement Letter No. 02/OCP/BNS-RSA/XII/2022 dated 18 December 2023 which is valid until 31 December 2024. In the work agreement letter there is a Vendor Integrity Plaque that suppliers must adhere to, the standards of behavior required from Vendors are related to:

- Labor and human rights
- Environment, safety and health
- Management ethics and practices

Based on the results of interviews with representatives of PT Oscar Investama and PT Riau Sawitindo Abadi, information was obtained that the Company had included its workers in the *BPJS* Employment and *BPJS* Health programs. Apart from that, the Company has also submitted proof of payment as part of the evaluation of compliance with contractor regulations.

However, until the closing meeting, evidence could not be shown of the evaluation of compliance with the regulations carried out by the contractor/supplier.

Based on the explanation above, it is known that the Company has not been able to show sufficient evidence that third parties have complied with relevant legal obligations. **Non-Conformities No. 2024.01**

**2.2.3**

The company shows a list of local contractors for 2023, including PT Oscar Investama and PT Riau Sawitindo Abadi as a FFB supplier. The company has a partnership with PT Oscar Investama in work agreement letter No. 01/OCP/BNS-OSCAR/XI/2022 on October 24<sup>th</sup>, 2022. In the agreement letter, PT Oscar Investama must comply with labor regulations, especially regarding wages and minimum age 18 years old.

In addition, there is a supplier code of ethics statement including stating that they will not engage in bribery, adhere to business ethics, do not perform forced labor, do not employ underage children, do not employ workers originating from human trafficking, comply with laws and regulations related to OHS, environmental aspects, licensing, legality, employment, and conditions required for sustainable palm oil certification.

Based on interviews with contractors, it is known that the youngest workers are 24 years old, wages are above the minimum wage and there is no compulsion at work.

Based on the description above, it shows that all contracts have their own clauses that prohibit practices involving child labor, forced labor, and workers from human trafficking.

<b>2.2.2 Minor Category</b>	<b>Status: Non-Conformities No. 2024.01</b>	
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**2.3  
All FFB supplies from outside of the unit of certification are from legal sources.**

**2.3.1**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate
- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

The company has geolocation information and land legality status for direct suppliers:

**Own Estate:**

- Teluk Bakau Estate: N 0° 11' 33", E 103° 35' 49"
- Nusa Perkasa Estate: N 0°07' 02", E 103° 36' 19"
- Nusa Lestari Estate: N 0° 11' 07", E 103° 34' 05"

**Group Estate:**

- Rotan Semelur Estate: N 00° 07' 04", E 103° 36' 17"

**Third party (direct supplier):**

- PT Oscar Investama: 0036533 S and 0346478 N
- PT Riau Sawitindo Abadi: 0.009334 S and 103.665131 N

**2.3.2**

Teluk Bakau Factory does not receive FFB from indirect FFB supplier.

**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**

Unit of certification shows a record of long-term planning document of PT Bhumireksa Nusasejati for the period 2024-2028. The document contains information on plantation business including projected production of FFB, CPO, Kernel Oil, extraction projections CPO and Kernel, for scope of operational budgets for plantations, factories, and support, for example are:

	2024	2025	2026	2027	2028
Total FFB Processed (MT)	323,770	287,103	326,253	352,140	369,438
CPO (MT)	54,583	67,163	75,580	81,662	85,756
OER (%)	22.48	22.61	22.48	22.55	22.60
PK (MT)	10,614	13,160	14,624	15,844	16,978
KER (%)	4.37	4.43	4.35	4.38	4.47
Replanting Program (ha)		-	-	-	-

Based on the description above, it is concluded that the company has a record of long-term planning and monitoring of plantation business.

**3.1.2**

Unit of certification does not have a replanting plan for the next 5 years. Based on the interview with management, currently the replanting program is postponed for reasons of operational efficiency. The oldest plant year is 2009 in Nusa Perkasa Estate for 423.37 ha.

**3.1.3**

Unit of certification annual report is available in the Management Review document which provides information regarding the discussion of annual performance achievements from monthly plantation production, CPO production, Kernel production and other achievements in Teluk Bakau Factory, Nusa Pekasa Estate, Nusa Lestari Estate and Teluk Bakau Estate. In this review, an evaluation is carried out of the current year's achievements which have been carried out every year, as consideration in preparing the following year's budget.

There are several other review activities that have been carried out by the Company through;

- Monthly Mill dan Estate Manager Report.
- Sustainability Internal Audit Report for RSPO period 2023. The audit is conducted on November 15, 2023.

- ESH Assessment Report for TBE, NPE, NLE, and TBF conducted on October 2023.
- Internal Audit Operation by SCRA and SORA for Mill and Estates (Nusa Pekasa Estate, Nusa Lestari Estate and Teluk Bakau Estate) conducted on 27 November – 01 December 2023.

**Status: Comply**

**3.2**

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

**3.2.1**

The company has developed and implemented action plan for continuous improvement. It considers the social and environmental impacts and opportunities, such as:

- The company not utilizing pesticides with active ingredient paraquat.
- Management and monitoring of fire incident in company and its surrounding which benefits the community.
- Assist the local community to create the group for fire management (*Masyarakat Peduli Api* - MPA).
- The use of renewable energy (shell and fiber for boiler fuel) to reduce the use of fossil fuels.
- WWTP management, testing the POME quality and report it to the Environmental and Sanitation Agency Indragiri Hilir District.
- Air quality management and monitoring through several action like air quality testing, routine maintenance of vehicles and machines and vehicle upgrades.
- Management and monitoring of surface and groundwater through testing the quality standard.
- Green House Gas Management and using land clearing with mechanical and zero-burning policy.
- To conduct Social Dialog for conveying aspiration and complaints to management representatives once every two weeks.
- Carry out an inspection of the use of PPE to ensure that the PPE of employees has been used and in accordance with procedures.
- Unit of certification does not use chemicals with the active ingredient paraquat.
- Regular operational and sustainability audits, to ensure the implementation of company procedures and policies.
- Have a licensed first aid worker, there are 4 licensed people (Teluk Bakau Factory, Teluk Bakau Estate, Nusa Lestari Estate, and Nusa Perkasa Estate) with license No.5/9674/AS.02.02/XI/2019, No. 5/9675/AS.02.02/XI/2019, No. 5/9669/AS.02.02/XI/2019 and No. 5/9673/AS. 02. 02/XI/2019 which was issued on November 22, 2019 and is valid until November 22, 2024.
- Have electric technician with certificate in the name of Y (initial) No P.17.15352/TK3-LIST/XI/2021 dated November 31, 2021 valid until 2024.

**3.2.2**

The company has an annual report document using the RSPO metric template format. It was provided to the auditor during RC. The summary in the report, for instance:

Name of RSPO Member	:	PT Bhumireksa Nusasejati
RSPO Membership Number	:	1-0008-04-000-00
Name of Certified Unit	:	Teluk Bakau, PT BNS
Name of Certification Body	:	Mutu Certification International
RSPO PalmTrace ID Number	:	RSPO_PO1000000318
Number of Mills	:	1
Number of Estates	:	3
Production Area (ha) - Estate	:	8963
Certified Area (ha) - Estate	:	13318
High Conservation Value (HCV) Area (ha)	:	11
Peatlands - Planted (ha)	:	10055
Peatlands - Unplanted (ha)	:	3252

Based on the interview result with sustainability staff and document verification for each information, it can be concluded the

data is synchronize with metric template information.

Status: Comply

**3.3**

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

**3.3.1**

In implementing procedures, unit of certification has SOPs and work instructions that have not changed from the previous audit for all plantation activities which are summarized in the Minamas Agricultural Reference Manual document consisting of 18 sections covering plantation activities starting from land clearing, nursery practice, oil palm planting, LCC planting, maintenance and fertilization, pest and disease control, fruit harvesting to factories. Also, for FFB processing procedures, unit of certification has Palm Oil Mill Technical Guidelines consisting of the basics of palm oil processing, oil and palm kernel stockpiling, control of factory wastewater, water treatment and laboratory analysis and others. In the OHS aspect, operational activities also have LOTO procedures and work permits.

That SOP's is available in estates and mill and written in a language that is easily understandable for workers (written in Bahasa). 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 field visits and interviews with spray workers in Nusa Perkasa Estate, it is known that workers understand the procedures related to spraying activities such as not spraying near water bodies (canals) and not spraying downwind and harvesting activities also on processing station Teluk Bakau Factory, it is known that workers already know the procedures and criteria for processing in Mill and have used PPE in accordance with the established HIRAC document.

**3.3.2; 3.3.3**

The company has a mechanism to check the mechanism for implementing procedures consistently through internal operational audit activities and internal sustainability audits. Internal audit activities cover all activities carried out by the company, including the performance of contractors who collaborate with the company. The internal operational audit activities are:

- Sustainability Internal Audit Report for RSPO PT BNS period 2023. The audit is conducted on November 15, 2023.
- ESH Assessment Report for NPE, NLE, TBE, and TBF conducted on October 2023.
- Internal Audit Operation by SCRA and SORA for Mill and Estates (Nusa Perkasa Estate, Nusa Lestari Estate, and Teluk Bakau Estate) conducted on 27 November – 01 December 2023.
- Contractor evaluation is carried out once a year.

Each unit has documented the operations of the estate and mill products such as daily reports, supervisor workbooks, etc. The field visit at the mill shows that the unit has been documenting the daily activities in a daily production report that documented by using computerized systems.

Based on the results of interviews with contractors and verification document, it is known that the internal control carried out by the company on the contractor's performance on the implementation of SOPs is carried out by conducting field inspections directly and form evaluation of the results of the contractor's work.

Status: Comply

**3.4**

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

**3.4.1**

The certification unit already has several documents related to social and environmental impact studies that are carried out independently or participatively by involving affected stakeholders. The company collaborated with accredited independent experts.

**Environmental Impact Assessment (EIA)**

Details information on PT Bhumireksa Nusasejati Environmental Impact Assessment, as follows:

- Environmental Impact Analysis (AMDAL) document in 1996 for PT BNS with area of 25,662 Ha and Teluk Bakau Factory with capacity 60 tons of FFB/hour. The document has been approved by the Ministry of Agriculture, Agency for Agribusiness with ratification document number 07/BA.5.3/V/1996 on May 17, 1996. There is also RKL-RPL which was approved by the Minister of Agriculture based on decree number 093/ RKL-RPL, on May 14, 1996.
- Due to the addition of a new factory, namely Mandah Factory, PT BNS conducted a new environmental study as stated in the UKL-UPL document for the scope of POM with capacity 45 tons/hour. The document has been approved by the Head of the Department of Environment, Mining and Energy of Indragiri Hilir District by Decree No. 660/DLHPE-PDL/XI/2008/289 on November 13, 2008.

In the aforementioned documents, stated the environmental aspects and parameters to be monitored and managed, targets and timeline in the RKL-RPL matrix. The document has also covered all aspects in estates and mill activities and their changes throughout the operational activities. The sampling methodology used is participatory approach involving external stakeholder groups to identify the impacts. Based on the verification of these documents, it can be concluded that all environmental impacts from plantation activities have been identified and relevant with laws and regulations.

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

The company has conducted assessment related to areas with high conservation value in 2009. It was conducted by an internal company led by Purwo Susanto. The HCV assessment was carried out in November and December 2009 with the scope of PT BNS including 5 Estates 25,671 Ha. Two estates are the scope of Mandah Factory certification with an area of 12,366.18 Ha. Based on the results of the HCV study, it was found that the HCV area is 0.55 Ha and the Potential HCV area is 1138.63 Ha in the occupation area. This study explains the impacts arising from plantation activities on the environment, social, and protected flora and fauna. The HCV assessment also involves several affected parties, both internal and external stakeholders. Evidence of participation with affected parties is in the of attendance list for FGD meetings and documentation during interviews. The public consultation was conducted on December 4, 2009 in Mandah Estate. It was attended by relevant stakeholders. The report also contains a matrix of High Conservation Value Area Management and Monitoring Plans which contains recommendations for the management of all identified HCV areas.

There is a change in HCV area based on the results of the HCV Re-assessment in 2020. It is explained more details in indicator 7.12.2. Based on the verification of these documents, it can be concluded that all areas with high conservation potential and protected areas have been identified and their management recommended with reference to the relevant environmental management guidelines. HCV management and reporting are still carried out for the entire scope of PT BNS (Teluk Bakau Factory and Mandah Factory Certification Units). **Based on the explanation, for the scope of Teluk Bakau Factory certification the HCV area is 10.69 ha.**

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

The company has Social Impact Identification Study PT BNS in 2010. The study was conducted in December 2009 by the Indonesian Sustainable Palm Oil Foundation. It was involving affected parties, as confirmed in the socialization meeting/Public Consultation Social Impact Assessment (SIA) attendance list on December 4, 2009. There were 76 participants as the representatives from surrounding villages and sub-districts, community leaders and representatives from companies. The questionnaire for the participants was included in the SIA document. The assessment method was carried out using a list of questionnaires with interview and measurable data collection.

The SIA study explains the impacts arising from plantation activities, including population, education, livelihoods, income, health, facilities and infrastructure, customs and culture of the villagers around the company, environmental management in the social, economic and cultural fields as well as perceptions community about the existence and benefits of PT BNS. Social impact assessments are included as part of the environmental impact assessments. The participation with affected parties is shown in the attendance list at FGD meetings and documentation during interviews. The report also contains a matrix of Social Management Plan and Social Monitoring Plan which contains recommendations for managing identified social impacts.

The types of data collected are primary data and secondary data. Primary data collection for monitoring the management of social impacts is obtained from relevant stakeholders as affected parties as well as local village officials who represent the community and as verifiers. Secondary data or indirect data collection is carried out by literature studies through various references such as environmental assessment documents, HCV assessment documents, local government literature, CSR

implementation records, company internal data, correspondence between companies and affected parties, local and national news and so on. All of these data sources are used as consideration for social impact management recommendations. Based on the verification of these documents, it can be concluded that all social impacts of plantation activities have been identified and their management recommended with reference to relevant laws and regulations.

### **3.4.2**

The company has several documents related to social and environmental impact assessments. It was conducted independently and in a participatory approach, involving affected stakeholders. The document covers the pre-construction activities, the operational stage, and the post-operation stage. The unit of certification does not carry out new plantings or increase the scope of certification during RC.

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

Based on the results of document verification, it can be concluded that all management and monitoring parameters required in environmental documents have been implemented. The company has evaluated each significant impact in monitoring parameter. It is implemented as required in KepmenLH 45 of 2005. It includes trends evaluation, critical levels evaluation, and compliance evaluation. Based on the evaluation results it is known that all parameters are in accordance with the applicable Quality Standards. The interview results with Environmental and Sanitation Agency Indragiri Hilir District also confirms this fact. In addition, there is no indication of environmental pollution in the area around the company. It is explained in details for each related parameter. Based on the observations in Mandah Factory, regarding the management of leachate from EFB, shells and fiber, the company has a well-managed program.

The implementation of environmental management has been carried out in accordance with all *RKL-RPL* documents and Environmental Permits owned by the company. It is based on the environmental permits 2008 UKL-UPL for Palm Oil Plantation with capacity 45 tons of FFB/hour. The management and monitoring aspects for instance:

- Decreased Air Quality and Noise
- Decreased Water Quality
- Community Perception
- Availability of Canal Water
- Canal Damage
- Community Income

The environmental management report is conducted every semester and submitted to Environmental and Sanitation Agency Indragiri Hilir District, Environment and Forestry Agency Riau Province, and Ministry of Environment and Forestry. It can be confirmed by the submitted report for second semester 2023 with the electric signed ID 1705134623-4961. Based on the report, it can be concluded that there is no negative impact caused by the company.

#### **HCV**

The unit of certification has conducted programs to maintain protected areas and High Conservation Values area. It describes in HCV Management Plan 2021-2026 document. Details on each program and the time line is stated in the document.

Unit of certification has HCV management plan 2024 in accordance with the results of HCV review in 2023. The long-term HCV evaluation is conducted every 5 years. The long-term HCV evaluation aims to capture the changing in last 5 years of HCV program implementation and to create the long-term HCV programs. However, the company also has the annual HCV evaluation with relevant stakeholders. The latest HCV evaluation was conducted on December 2023. The annual evaluation purpose is to analyse opportunities and challenges in HCV program for the past year. It can affect the upcoming HCV management plan. The review result is the basic for HCV Management and Monitoring Program in January 2024 – December 2024. Since the HCV area in the scope of Teluk Bakau Factory certification is only located in Nusa Perkasa Estate, therefore the HCV evaluation only involving the representatives of Rotan Semelur Village, due to its close location to the HCV area. Other than that, the sustainability staffs and Nusa Perkasa Estate foreman and assistants also participate in the annual HCV evaluation.

The HCV management plan in January – December 2024 as details:

- Conduct training and appointed HCV officers
- HCV management by making boundary markers according to identification results
- Implementing zero burning
- Enrichment of forest plant species
- HCV socialization of HCV including RTE species
- To have signboard for HCV area
- Maintenance of HCV attributes by making, installing and maintaining boundary signs, boundary markers and conduct monitoring and maintenance of information boards.
- HCV monitoring by conducting surveys to inventory flora and fauna.
- HCV area patrols monthly.

**Social Impact Assessment (SIA)**

The company's social impact management is stated in the SIA program implementation document January - December 2022. The implementation in 2022 is evaluated on January 8, 2023. SIA evaluation is conducted annually to cover all negative and positive impact to affected stakeholders. The output from the evaluation is used as the reference for SIA monitoring plan January 2023 - December 2023. SIA Management Plan January 2023 - December 2023, among others:

- Canal cleaning
- Scholarship program
- Housing renovation for employees
- Clean water for employee's daily needs by drilling well
- Providing PPE to employees
- Training and socialization on fire management to employees and community
- Job opportunity for community nearby the company
- Providing water transportation to school for the students
- Providing additional honorarium for teachers

The program was conducted and evaluated by involving participation from affected stakeholders, including Makmur Jaya Village, Pelangiran Village, Teluk Bunian Village, Rotan Semelur Village, Gurah Baru Village, Sabar Menunggu Village, and employees' representatives. SIA programs were confirmed based on the interview result with the representatives from Makmur Jaya Village, Pelangiran Village, and Teluk Bunian Village.

The evaluation describes the methods, goals, indicators, and evaluation result. From the evaluation remarks, it can be concluded that almost all programs have been implemented as plan, the other program is still on-going process (for instance the housing renovation). The company can show the detail progress of each mentioned program in the report.

**3.4.3****Environment**

The environmental management report is conducted every semester and submitted to Environmental and Sanitation Agency Indragiri Hilir District, Environment and Forestry Agency Riau Province, and Ministry of Environment and Forestry. It can be confirmed by the submitted report for second semester 2023 with the electric signed ID 1705134623-4961. Based on the report, it can be concluded that there is no negative impact caused by the company.

The implementation of Environmental Management and Monitoring is carried out in accordance with the direction as described in indicator 3.4.1. The effectiveness of environmental management and monitoring can be seen from the results of environmental management and monitoring analysis. It means the management and monitoring plans are in sync with the actual implementation.

The RKL-RPL document also shows that the company has managed all the recommended impacts. One of the evaluations carried out by the company is the compliance evaluation. Numerous things can be concluded from that evaluation, for instance: the company conducts the air pollution management in a preventive method, such as to operate the machine based on SOP, regular machine maintenance, install the filter, and oil changes based on the technical guides. Based on the evaluation of air quality, noise, and water quality results, it is known that all parameters still comply to the standard, and there is no indication of contamination.

Based on the field observations to Mandah Factory, Mandah Estate, and Rotan Semelur Estate, it can be seen that the company has carried out environmental management in accordance with the RKL-RPL, for instance by having the POME treated in WWTP, peatland management, and provide suitable PPE for each working placement. Based on the results of interviews with Environmental and Sanitation Agency Indragiri Hilir District, the company has reported the RKL-RPL regularly.

### **HCV**

The unit of certification has conducted programs to maintain protected areas and High Conservation Values area. It describes in HCV Management Plan 2021-2026 document. Details on each program and the time line is stated in the document.

Unit of certification has HCV management plan 2024 in accordance with the results of HCV review in 2023. The long-term HCV evaluation is conducted every 5 years. The long-term HCV evaluation aims to capture the changing in last 5 years of HCV program implementation and to create the long-term HCV programs. However, the company also has the annual HCV evaluation with relevant stakeholders. The latest HCV evaluation was conducted on December 2023. The annual evaluation purpose is to analyse opportunities and challenges in HCV program for the past year. It can affect the upcoming HCV management plan. The review result is the basic for HCV Management and Monitoring Program in January 2024 – December 2024. Since the HCV area in the scope of Teluk Bakau Factory certification is only located in Nusa Perkasa Estate, therefore the HCV evaluation only involving the representatives of Rotan Semelur Village, due to its close location to the HCV area. Other than that, the sustainability staffs and Nusa Perkasa Estate foreman and assistants also participate in the annual HCV evaluation. This event can be confirmed by the interview with sustainability officer. During the assessment public consultation was not held with Rotan Semelur Village representatives.

The HCV evaluation in 2023 conclusion as details:

- The HCV management and monitoring programs in PT Bhumireksa Nusasejati have been implemented according to the timeline.
- All challenges in implementing the HCV programs can be solved properly.
- To manage the collaboration with local community (Rotan Semelur Village) for HCV management and monitoring program.

### **SIA**

The company's social impact management is stated in the SIA program implementation document January - December 2022. The implementation in 2022 is evaluated on January 8, 2023. SIA evaluation is conducted annually to cover all negative and positive impact to affected stakeholders. The output from the evaluation is used as the reference for SIA monitoring plan January 2023 - December 2023. SIA implementation in 2022, among others:

- Canal cleaning annually
- Scholarship program annually
- Clean water for employee's daily needs by drilling well
- Providing PPE to employees every semester
- Training and socialization on fire management to employees and community annually
- Job opportunity for community nearby the company tentative
- Providing water transportation to school for the students on weekdays
- Providing additional honorarium for teachers annually

The program was conducted and evaluated by involving participation from affected stakeholders, including Makmur Jaya Village, Pelangiran Village, Teluk Bunian Village, Rotan Semelur Village, Gurah Baru Village, Sabar Menunggu Village, and employees' representatives. SIA programs were confirmed based on the interview result with the representatives from Makmur Jaya Village, Pelangiran Village, and Teluk Bunian Village.

The evaluation describes the methods, goals, indicators, and evaluation result. From the evaluation remarks, it can be concluded that almost all programs have been implemented as plan, the other program is still on-going process (for instance the housing renovation). The company can show the detail progress of each mentioned program in the report.

Status: Comply

**3.5**

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

**3.5.1**

The certification unit has procedures related to recruitment, selection, employment, promotion, retirement and termination of employment which are generally described in the Collective Labor Agreement period 2023-2024 written in Bahasa.

• **Recruitment Procedure**

SOP Recruitment No. 431/HRM-RCT/07 was ratified on 24 May 2007 with reference to Law no. 13 of 2023 concerning Manpower, Government Regulations No. 2 of 2022 concerning work copyright, Government Regulations 35 & Government Regulations 36 of 2021, and PKB. The SOP explains the recruitment process, recruitment procedures, selection process, administrative requirements and recruitment costs, with attachments for the Manpower Request Form, Job Application Form, Employee Recommending Prospective Worker Form, Free statement form, arrival fee reimbursement form, and form interview.

• **Employee assessment**

Regulated in the SOP for Employee Assessment No. 290/HRM-i3/VI/2015 and No.287-HRM-i1-V-11. In the procedure there is a flow chart that explains the flow of employee assessment. The procedure also explains that employee appraisal is carried out at least once a year. The items assessed are:

- Quality of work
- Quantity of work
- Knowledge of the task
- Responsibility
- Work initiatives
- Communication
- And others.

• **Collective Labor Agreement**

The company also has a Collective Labor Agreement valid for 2023-2024 which was ratified through the Decree of the Head of Manpower Agency Indragiri Hilir Regency, with Number KPS.04/NAKERTRANS-HISK/560 on 6 February 2023. The Collective Labor Agreement also explains the human resource system, such as:

- New Worker Acceptance
- Probational period
- Appointment of permanent workers
- Assessment of work performance
- Promotion
- Termination of employment due to retirement
- Termination of Employment due to serious mistakes
- And others.

Based on the description above, it shows that the company has procedures for recruitment, selection, acceptance, promotion, retirement and termination of employment documented and available to workers and their representatives in accordance with applicable laws and regulations.

**3.5.2**

The company has documented employment procedures such as recruitment, promotion, performance appraisal and others. For example, there are the following employment documents:

- Employee with initial of M Replanting Worker at Teluk Bakau Estate with work agreement NO. 08/BNS/PKWT-TBE/IV/2023 on April 1<sup>st</sup>, 2024. In the job offer letter there are several clauses including validity date on April 1<sup>st</sup> – March 31<sup>st</sup>, 2024, salary/wages, health insurance, job transfers, working time and working hours, social insurance, disciplinary rules, company secrets, duties and responsibilities. In addition, the company shows the completeness of employment documents, namely the Social Assurance registration letter, photocopy of Personal identity, photocopy of family card, health check results, employee checkroll form, employee completeness data, statement letter that all recruitment costs are borne by the company, job application letter, and proof of PPE handover.

- Pension payments with initial of S ID Number 114357, 55 years old, with severance pay was paid on December 21<sup>st</sup>, 2023. The pension document is attached to several other documents, namely:
  - Letter of application for retirement
  - Termination notification letter on September 4<sup>th</sup>, 2023
  - Severance calculation sheets in accordance with PP35/2021 article 40 paragraph 2, long service awards, final Pph 21 deductions
- Promotion of employees with initial of H, J and A.A as Harvesters to become staff employees starting November 1<sup>st</sup>, 2023, according letter number. 109/BNS/EST-TBE/VII/2023 on July 21<sup>st</sup>, 2023.

Based on the explanation above, it proves that the unit of certification has implemented employment procedures properly and documented for each employee.

**Status: Comply**

**3.6**

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

**3.6.1**

Minamas Group has an OHS policy as the Company's commitment by Head Plantation Upstream Indonesia dated December 2011 to creating a healthy and safe work environment all employees and visitor, as well as strive to facilitate a proper protection for workers and company asset which aims to avoid accident and damage incidence.

In its implementation, the Company has carried out hazard identification for all Estate and Mill contained in the Occupational Safety and Health Hazard Identification and Risk Assessment (HIRA). Procedure of Hazard Identification Risk Assessment and Control (HIRAC) is presented in procedure No. 7301/PSQM-ESH/11 dated 07 July 2011. The certification unit is able to shows HIRAC document which issued by the respective OSH Committee Secretary and Estate/Mill Manager. The last update for Estates (27 activities were identified) and Factory (24 activities were identified) on January 2024. This document describes the following: Activity Stages; Description of activities; Type of activity; Identification of Potential Hazards (Potential Hazards; Types; Hazards); Current Controls (Types of Controls; Description of Controls); Legal; Risk Assessment (Probability; Severity; Outcome); Determination of Control (Conclusion; Program Code).

Based on document verification, all activities identified have covered all activities in the plantation and mill, such as land preparation, nursery, oil palm planting, fertilization, immature plant maintenance, maintenance of productive plants, harvesting, transporting FFB, and supporting activities on the estate and activities at the Mill.

Some of the activities carried out to mitigate the hazard that have been carried out include:

- Routinely carry out safety briefings before carrying out work
- Regular health checks
- Work accident recording
- Evaluation of workplace hazards carried out by OHS officers
- Providing and replacing PPE regularly and free of charge
- First aider training and placement of emergency equipment such as fire extinguishers and first aid kits.

Based on the results of interviews with sterilizer operator at Teluk Bakau Factory and harvester at Block G16, G17 Division 4 Nusa Lestari Estate, it is known that workers know and understand the hazard identification documents, risks and control plans and are able to implement them in the field. The worker also added that the company routinely provides outreach regarding Hazard Identification and risk control to workers during morning assembly.

**3.6.2**

Unit of certification carries out activities to monitor the effectiveness of the OHS plan to ensure sustainable commitment by all parties and a safe & healthy work culture. Such as:

- Regular meetings every 3 months carried out by OHS Committee in each unit in the context of the effectiveness of the OHS plan that has been prepared in the beginning of the year.
- ESH Assessment Report carried out by SQM that focuses on "Unsafe Conditions" and "Unsafe Acts" at all work locations & factory.

- Simulates land fires per semester and fire extinguishers examination every month in the context of fire preparedness.
- Periodically held medical check-up for all employee, including for those who have special work risks (more explanation for special medical checkup in indicator 7.2.10).
- Providing PPE and its replacements to all employees for free.
- PPE checking every morning by supervisor in each unit.

OHS Committee meetings have been held regularly every 3 months held for each unit (TBF, TBE, NLE, and NPE) with discussions of OHS issues and their follow-ups. For examples the meeting discus in TBE for the Q4 period which will be held on December 13 2023, which discusses about update unsafe actions and conditions to minimize and eliminate potential dangers that can cause work accidents, provide SIME Card facilities in the office, carry out PPE checks at every morning briefing, carry out environmental cleanliness in housing, etc.

**Status: Comply**

**3.7**

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

**3.7.1; 3.7.2**

Unit of certification already has documented training, for example, the company has a document identifying OHS training needs. The aspect in the training program is such as environment, labor best management practice aspect, and others. Some of training program, namely:

- Training for manuring, harvesting and spraying activity.
- Socialization of company's policy such as human right, no child worker, and sustainability policy.
- First aid training.
- Training for Environment and hazardous waste handling.
- Simulation of emergency responses and firefighting management.

In addition, the certification unit has an identification and training program for relevant stakeholders (contractors, local communities and smallholders). These programs include the following:

- Socialization of company policies such as code of conduct, human rights, no child worker and others.
- Training for best practices to smallholders.
- Training for OHS and PPE.

Unit of certification also has sample of training and certification with showing minutes of firefighting training activities that have been carried out on Agustus 02, 2023 which were attended by workers in NPE, while the OHS certification (*PJK3*) by Mutu Institute held on 11 & 16 December 2023 attended by 21 employees from TBF.

Based on the results of interviews with company employees in TBE, NPE, NLE, and TBF also with contractor that these they have received training and socialization from the company, for example OHS training and other training related to work procedures owned by the company.

Based on this explanation, the company already has a training identification program and the realization of training activities provided to company employees and company contractors.

**3.7.3**

Training Program 2022 is available including RSPO Supply Chain. Actual training for RSPO Supply Chain in 2022 conducted on 27 & 29 November 2023. The training subjected to SOP of Supply Chain and Traceability of Palm products. Training attended by relevant personnel including mill assistant, laboratory, Senior Assistant, weighbridge clerk, production clerk and etc.

Based on interview to the workers involved in SCCS operations, such as, weighbridge operator (for dividing amount of certified and uncertified sourced), and Administration Head (for recording and monitoring the MB data) information was obtained that workers had an understanding regarding the implementation of the SCCS Module.

**Status: Comply**

**3.8**

**Supply Chain Requirements for Mills**

**3.8.1; 3.8.2**

Formerly the mill implements SCCS Model IP, however since November 2022 based on Memorandum No 042/CEO-RSS/X/2022 dated 14 October 2022 Teluk Bakau Factory accepted FFB from non-certified RSPO producers (PT Riau Sawindo and PT Oscar Investama) and downgrade the SCCS Model from IP to MB. Verification of Mass Balance record, the Mill has been recorded well the FFB and products (CPO and PK) from certified and uncertified sources.

**3.8.3**

Estimated certified product recorded in the last Assessment Report and Certificate and updated in the RSPO Palm Trace. The actual certified product has been verified during this assessment. The estimates of certified production for the next license period also have been set, in a reasonable amount considering the last year's production. The data are shown in the following table:

	Last Year Projected Certified Volume (MT)	Actual production in January – December 2023	Estimation for the next 12 months
FFB Processed	129,000	133,480.59	129,000
CPO Production	29,000	30,812.89	29,090
PK Production	5,400	6,365.97	5,354

Based on table above, there is over Production, the company has sent email for extension volume to CB on 21 December 2023.

**3.8.4**

Teluk Bakau Factory has been registered and met the requirements of reporting supply chain through the RSPO supply chain managing organization (palm-trace), which describing below:

Member Information	
Member Name	Sime Darby Plantation - Teluk Bakau POM, PT BNS
Member ID	RSPO_PO1000000318
Member Country	Indonesia
Member Category	Oil mill
Core Product	Palm Oil

License Information	
License ID	CB145219
Issued By	PT Mutuagung Lestari Tbk
Issued On	23/03/2023
Start Date	11/05/2023
End Date	10/05/2024
License Status	Active

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

**3.8.5**

Teluk Bakau Factory has had procedure for SCCS with MB or IP model in Minamas Plantation Manual RSPO SCCS No. SCCS-Std/RSPO/PSQM/02 Revision 3 on 1 December 2020. which described the duties and responsibilities of each part;

the identification of raw materials and products; and performs supply chain system. The procedures have explained related to the duties and responsibilities of each part. The manager has the highest authority to approve this manual which is integrated with the policy (policy). Policies and procedures written and / or referenced in this document must be followed in order to achieve, maintain and ensure the quality of products produced by unit management, and meet customer requirements. Department of PSQM are responsible to conduct internal audit annually for SCCS and the Marketing Dept are responsible to validate the supplier/buyer and reporting/announce all the transaction to RSPO IT Platform. The company's procedures have been revised in accordance with the latest RSPO SCCS system reference (Revised 01 February 2020).

Auditors conduct interviews with workers who are responsible for the delivery of certified products, namely weighing operators. Operator are able to explain the technical acceptance of certified FFB, sales of CPO/PK and also the reporting mechanism if there is an error in recording information.

**3.8.6**

Internal Audit procedures are ruled in on Minamas Plantation Manual RSPO SCCS No. SCCS-Std/RSPO/PSQM/02 Revision 3 on 1 December 2020 which describes Internal audits are conducted at least annually to ensure: the organization complies with RSPO SCCS requirements and RSPO Market Communication & Claim documents. Where the internal audit is done at least 2 months before the external audit. The internal audit results are included in the management review conducted at least once a year.

The latest Internal audit of RSPO supply chain conducted on 29 November 2023. There are 2 notes related transaction document that not available on site and the CARs have been complied. Management Review of RSPO SCCS implementation conducted on 01 December 2023.

**3.8.7**

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

Month (2023)	FFB (MT)		
	RSPO Certified	Non-Certified	Total
January	9,200.78	676.32	9,883.98
February	8,108.59	608.14	8,716.73
March	9,483.69	667.65	10,151.34
April	6,273.47	628.02	6,901.49
May	11,472.63	845.13	12,317.76
June	11,908.37	886.56	12,794.93
July	14,828.31	975.45	15,803.76
August	13,225.25	1,158.25	14,383.50
September	10,504.50	965.62	11,470.12
October	8,661.97	1,245.22	9,907.19
November	8,876.27	997.97	9,874.24
December	10,226.94	1,055.51	11,282.45
<b>Total</b>	<b>122,770.77</b>	<b>10,709.84</b>	<b>133,480.59</b>

Estimated certified product recorded in the last assessment report and certificate, as well as in the RSPO IT Platform. Actual certified produced has been verified during this assessment. The estimates of certified production for the next license period also have been set, in reasonable amount considering the last year's production. The data are shown in the following table:

	Last Year Projected Certified Volume (MT)	Actual production in January – December 2023	Estimation for the next 12 months
FFB Processed	80,000.00	61,755.00	63,000
CPO Production	18,000.00	14,745.03	14,207

PK Production	3,600.00	3,853.85	2,615
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Based on table above, there is over on PK Production, the company has sent email for extension volume to CB on 21 December 2023.

**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 documents verifications and interviews with management units obtained information since January 2023 – December 2023 it is known there are 5,092.29 MT CSPK sold as RSPO Certified product and there are 11,510.00 CSPO sold as RSPO Certified product.

Documents verification and interview the unit of certification can presented selling documents of certified products. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, in example selling document for shipping announcement with transaction id TR-43a734d0-8a38 for CSPK model IP with the volume 523.69 MT on 15 August 2023 with the buyer are PT Teguh Sempurna – Pematang Kernel Crushing Plant, the unit can present several document as follows:

- The name and address of the buyer (PT Teguh Sempurna – Pematang Kernel Crushing Plant);
- The name and address of the seller (PT Bhumireksa Nusasejati – Teluk Bakau Factory)
- The loading or shipment / delivery date on 13 – 22 May 2023 as presented in the document minutes of loading CPO No 004/BNS/TBF-MDF/BAP-IKS/V/2023 with quantity delivery product are 900 MT
- Delivery Order Documents as well as unique number No: 00353/00206/05/23/L-BNS-KERNEL
- RSPO certificate number (MUTU-RSPO/008).

**3.8.9; 3.8.10; 3.8.11**

Teluk Bakau Factory doesn't outsource refining and crushing activity. The company uses third party contractors for CPO and PK transportation activities. For transportation of certified products, the company uses contracting services. Based on the contractor's list, there are 3 contractors.

Based on document review and interview of management representative, the physically handling of product are conducted by mill itself since FFB receive in grading station and processed to CPO and PK. The site has recorded the names and contact details of contractor used for RSPO certified oil palm products transport, such as:

- PT Unggul Samudra Raya (CPO Transporters)
- PT Pelayaran Sinar Pagoda (PK Transporters)
- PT Bahtera Bersama Bahari (PK Transporters)

Since last assessment it was known there is new contractors on CPO and PK Transporter, However, in the last 1 year period there were no sales of certified CPO. The contractors and certified holder also have an agreement related to transparency of contractor operational mechanism, so the certification bodies can audit the contractors.

**3.8.12**

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

**Crude Palm Oil**

Period (2023)	CPO Production (MT)		Total	Certified CPO Despatch (MT)			Total
	Certified	Non Certified		RSPO	Other scheme	Non Certified	
Opening Stock	177.74	309.26	487.00	-	-	-	-

January	2,019.94	148.48	2,168.42	-	-	1,242.26	1,242.26
February	1,889.86	141.74	2,031.60	-	-	2,800.84	2,800.84
March	2,194.48	154.49	2,348.97	-	-	1,504.05	1,504.05
April	1,436.17	143.77	1,579.94	-	-	1,556.54	1,556.54
May	2,525.10	186.01	2,711.11	2,300.22	-	813.83	3,114.04
June	2,731.37	203.35	2,934.72	-	-	-	0.00
July	3,275.03	215.44	3,490.47	1,799.62	-	-	1,799.62
August	3,105.68	271.99	3,377.67	5,150.27	-	1,200.44	6,350.70
September	2,449.39	225.16	2,674.55	1,000.00	-	2,284.27	3,284.27
October	1,998.72	287.33	2,286.05	1,259.90	-	352.83	1,612.73
November	2,012.14	226.23	2,238.37	-	-	1,674.08	1,674.08
December	2,251.63	232.39	2,484.02	-	-	1,968.18	1,968.18
<b>Total</b>	<b>28,067.25</b>	<b>2,745.63</b>	<b>30,812.89</b>	<b>11,510.00</b>	<b>-</b>	<b>15,397.31</b>	<b>26,907.31</b>

**Palm Kernel**

Period (2023)	PK Production (MT)		Total	Certified PK Despatch (MT)			Total
	Certified	Non Certified		RSPO	Other Scheme	Non Certified	
Opening Stock	609.06	23.77	632.83	-	-	-	-
January	331.17	24.34	355.51	-	-	-	-
February	321.43	24.11	345.54	493.16	-	-	493.16
March	368.06	25.91	393.98	229.55	-	-	229.55
April	257.80	25.81	283.61	-	-	-	-
May	470.64	34.67	505.31	673.82	-	-	673.82
June	580.55	43.22	623.77	793.10	-	-	793.10
July	633.25	41.66	674.91	560.81	-	-	560.81
August	647.31	56.69	704.00	1,103.99	-	-	1,103.99
September	531.40	48.85	580.25	775.58	-	-	775.58
October	341.73	49.13	390.85	462.28	-	-	462.28
November	374.62	42.12	416.74	-	-	-	-
December	415.77	42.91	458.68	-	-	388.82	388.82
<b>Total</b>	<b>5,882.78</b>	<b>483.18</b>	<b>6,365.97</b>	<b>5,092.29</b>	<b>-</b>	<b>388.82</b>	<b>5,481.11</b>

**3.8.13; 3.8.14**

Based on document verifications and interview with management it was known if there is no conversion rate of production of CPO (OER) and PK (KER) that applied by the mill. The production of CPO (OER) and PK (KER) are based on actual daily, monthly, and yearly production. For example on 2023 OER was 22.51% and KER was 4.25%

**3.8.15**

Formerly the mill implements SCCS Model IP, however since November 2022 based on Memorandum No 042/CEO-RSS/X/2022 dated 14 October 2022 Teluk Bakau Factory accepted FFB from non certified RSPO producers (PT Riau Sawindo and PT Oscar Investama) and downgrade the SCCS Model from IP to MB. Verification of Mass Balance record, the Mill has been recorded well the FFB and products (CPO and PK) from certified and uncertified sources.

**3.8.16**

Documentation for the Sustainable Certified Product (CSPO and CSPK) consists of a daily record of the FFB acceptance, a daily record of certified production, which is classified as the CSPO and CSPK, a sales record, a stock record that has

been reconciled with the FFB acceptance, monthly production and sale and annual recapitulation. Based on documents verifications and interviews with management units obtained information since January 2023 – December 2023 it is known there are 5,092.29 MT CSPK sold as RSPO Certified product and there are 11,510.00 CSPO sold as RSPO Certified product.

Documents verification and interview the unit of certification can presented selling documents of certified products. Those documents cover information's of delivery date, description of product and supply chain model, product quantity, identification number, certificate number, sender's name, and address of the seller, in example selling document for shipping announcement with transaction id TR-43a734d0-8a38 for CSPK model IP with the volume 523.69 MT on 15 August 2023 with the buyer are PT Teguh Sempurna – Pematang Kernel Crushing Plant, the unit can present several document as follows:

- The name and address of the buyer (PT Teguh Sempurna – Pematang Kernel Crushing Plant);
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- The loading or shipment / delivery date on 13 – 22 May 2023 as presented in the document minutes of loading CPO No 004/BNS/TBF-MDF/BAP-IKS/V/2023 with quantity delivery product are 900 MT
- Delivery Order Documents as well as unique number No: 00353/00206/05/23/L-BNS-KERNEL
- RSPO certificate number (MUTU-RSPO/008).

**3.8.17**

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

	<b>Status: Comply</b>	
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**PRINCIPLE #4 RESPECT COMMUNITY AND HUMAN RIGHTS AND DELIVER BENEFITS**

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

**4.1.1**

The policies regarding human rights described in the Sime Darby human rights charters February 2017 that's described respect the rights of their employees, workers in their operations and communities through the commitments which include, but are not limited to providing equal opportunities, respecting freedom of association, eradicating any form of exploitation, ensuring favorable working conditions, enhancing safety and health, respecting community rights and the rights of indigenous people, protecting the rights of vulnerable people, protecting the rights of children, eliminating violence and sexual harassment. Furthermore, the policy regarding prohibiting retaliation against Human Rights Defenders (HRDs) ruled in the Code of Business Conduct (February 2022) Which described The Group does not tolerate retaliation against individual who discloses any actual or suspected violations in good faith. The spokes did not suffer harassment, retaliation, or adverse employment consequence for speaking up or cooperating in an investigation. This policy has been socialized at NLE, NPE, TBE and TBF, for example the socialization was carried out at NLE on September 8<sup>th</sup>, 2023 which was attended by 15 people, in NPE on December 22<sup>nd</sup>, 2023 which was attended by 73 people.

Based on interviews with harvesters and pesticide applicator at NLE, NPE and TBE, it is known that workers understand human rights policies.

This has been disseminated to all workers, partners, and the community. To workers, socialization is carried out during the morning briefing and there are printed documents placed in strategic areas such as plantation offices and division offices.

**4.1.2**

The unit of certification has a policy to circumvent instigated violence to maintain peace and order in current and planned operations described in the Code of Business Conduct issued on February 2022. Until this assessment there were no conflicts and land disputes within the PT BNS area (TBF, TBE, NPE and NLE). This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stating that there were no land conflicts in the company's *HGU*.

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

Mechanism for consultation and complaints is listed in some procedure, such as:

- SOP for Handling Public Complaints (SPO/6.3/PKM) with document number SOP/005/BSC/2016 No. revision 01/Rev/RSPO/P&C/PPK dated November 1, 2016. This procedure explains that public complaints can be submitted by telephone at the contact number provided in each unit.
- SOP for Handling Employee Complaints (SPO/6.5/PPK) with document number SOP/006BSC/2012 No. revision 01/Rev/RSPO/6.5/PPK dated November 1, 2012. The procedure explains that public complaints can be submitted by telephone at the contact number provided by the assistant at each emplacement location.
- SOP for Handling Stakeholder Complaints No. 001 revision 0 dated 31 October 2020. The procedure aims to ensure that the stakeholder complaint handling system (internal and external) can be understood by stakeholders including those who are illiterate. In the procedure it is explained that the company provides illustrated information regarding the submission of complaints.

The procedure above has explained about the person in charge of receiving and resolving complaints (external and internal officers including HRD), response timeframe, confidentiality of the reporter and whistleblower, until further handling of complaints is possible to a tripartite level. (Mediation and settlement by government). Procedure is available in Bahasa Indonesia and if there are any complaints/grievances that the resolution that has not found mutually, the complainants can bring that compliance to RSPO Complaints System.

Based on interviews with the Head of Makmur Jaya Village, Teluk Bunian Village, Pelangiran Village, the Land Agency of Indragiri Hilir and management representatives that there are no land disputes in the company's operational area. In addition, there are no anonymous reports regarding requests for land dispute resolution.

Based on the description above, it shows that the company already has a system that is mutually agreed upon, open to all affected parties, able to resolve disputes in an effective, timely and appropriate manner.

**4.2.2**

Company has a complaint handling mechanism and system described in the Complaints Handling Procedure (SPO/006/BNS2019). The procedure explains that complaints are filed in writing to the assistant through supervision, then proceed to the manager with the approval of the department head. If it is not resolved, it can be submitted to the Cooperation Institution. To ensure that the procedure can be understood by employees who cannot read and write is to conduct socialization directly to all employees.

The company has socialized this procedure, including socialization regarding the complaint mechanism in TBF on October 2<sup>nd</sup>, 2023 which was attended by 21 people and in NPE on December 22<sup>nd</sup>, 2023 which was attended by 53 people. The company also provides complaint services through suggestion boxes placed and hotline in each Estate.

Based on the description above, it shows that the company already has procedures in place to ensure the system is understood by affected parties.

**4.2.3**

Based on verification document of internal and external complaint in 2023 revealed that there were no recorded complaints. This is similar with the results of interviews with Labor Union and the surrounding community (Makmur Jaya Village, Teluk Bunian Village, Pelangiran Village) that no complaints have been submitted to the company in 2023 until the audit activity takes place. It was further explained by the management that if there are complaints from both internal and external, the company through Community Development will inform and update the status of complaint handling to related parties.

**4.2.4**

The company has a communication procedure No. SPO/006/BNS2019. The procedure aims to provide assurance to whistleblowers 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 company 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 company. If the complaint cannot be resolved by consultation, it can follow up the next step or go through the process to the RSPO. In the procedure also explained that if the settlement of the complaint is not agreed by both parties, the complaint can be resolved by a technical or independent mediator or a third party who legitimate.

The company already has officers who are responsible for handling complaints so that they continue to get further information related to the progress of complaint resolution. The procedure also explained that the response time related to complaints was 14 days after the complaint was submitted.

Based on external complaint monitoring record sighted that there is not complaint during period of 2023. In addition, based on interview with the surrounding community (Makmur Jaya Village, Teluk Bunian Village, Pelangiran Village) sighted that there are not complaint to the unit of certification

Status: Comply

**4.3**

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

**4.3.1**

The company conducted the measurement and calculation of Sustainable Livelihood Assets (SLIA) of the villages around PT Bhumireksa Nusasejati in December 2022. It aims to obtain an overview of the village overview, potential assets and sustainable livelihood issues using SLIA analyzing tools from interviews and literature studies. It involved several villages, including Makmur Jaya Village, Teluk Bunian Village, Pelangiran Village, and Penjuru Village. The recommendations from the activity were used as a reference to develop PT Bhumireksa Nusasejati's CSR program in 2023. Based on the interview with representatives from Makmur Jaya Village, Teluk Bunian Village, and Pelangiran Village, the event can be confirmed.

The company has a Corporate Social & Responsibility (CSR) Procedure with document No. 361/TJSL-CSR/COM on November 09, 2015. The procedure explained the process of CSR program, starting from CSR program planning, annual CSR program and budget, as well as the implementation of CSR program and budget.

CSR program implementation by PT Bhumireksa Nusasejati, including:

- Education: Teacher honorarium assistance (monthly), scholarships (given in January 2023), school transport assistance (for community's children in PT BNS schools, conducted every Monday to Friday).
- Infrastructure/general: Material assistance to the repair the dock in Makmur Jaya Village in June 2023.
- Social: Electricity assistance to the community for 220 families monthly, animal for Eid-adha assistance in July 2023 to several villages around the company (for example to Pelangiran Village, Teluk Bunian Village, and Makmur Jaya Village).
- Environment: training and socialization of forest and land fires (July 2023) and operational assistance for group community to handle fire incidents (*Masyarakat Peduli Api*-MPA) for Penjuru Village, Gurah Baru Village, Makmur Jaya Village, Nusa Lestari Village, and Sabak Jantan Village (conducted in January 2023).

The company conducted the CSR evaluation involving the local community in December 2023. It can be confirmed from the interview with the representatives from Makmur Jaya Village, Teluk Bunian Village, and Pelangiran Village and by the document review on the minutes of meeting from CSR evaluation. The CSR evaluation in 2023 becomes the reference for the next CSR program in 2024.

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**

PT BNS has obtained the location permit from the Level I Region Government (Now known as the Province) of Riau in the form of a Letter of the acceptance of Land Provision from the Governor of Level 1 Region of Riau: 525/Bappeda-FP/89/731 dated 14 March 1989 regarding land reserve for the area covering ± 100,000 Ha. As for the land cultivation permit, PT BNS

has owned the Plantation Business Permit as follows:

- Plantation Business Registration Letter Number No: HK.350/184/Bun.5/III/2001 dated 16 March 2001 for the area covering 25,662 and mill capacity 30 Tons FFB / hours (Teluk bakau Factory)
- Letter from head of licensing, investment, and promotion agency district of Indragiri Hilir No. 503/BP2MPD-IUP-PK/XII/2014/1 dated 19 December 2014, concerning mill extension capacity of PT Bhumireksa Nusasejati – Teluk bakau Factory, from 30 Tons of FFB/hour to 60 Tons of FFB/Hour.
- Letter from head of licensing, investment, and promotion agency district of Indragiri Hilir No 503/BP2MPD-IUP-P/VIII/2013/1 dated 22 August 2022 regarding the granting of Plantation Bussines Permit – Processing with capacity 45 Tons of FFB/Hour.

Based on document verifications, and interviews with management, there are no changes related to land ownership and concession documents. The certificate holder has had land use rights covering 25,683.99 Ha in accordance with the Decree of Ministry of Agrarian Affairs / Head of National Land Agency No.70/HGU/BPN/95 dated 07 November 1995 regarding grating of land rights (HGU) covering 25,662 Ha; Decree No: 55/550/24.04/2000 dated 25 July 2000 regarding granting of Building Rights Covering 8,8125 Ha and Decree No: SK.104/550/24.04/2001 dated 23 August 2001 regarding granting of Building Rights Covering 13,179 Ha. Moreover, based on that's decree issued several land and building certificate as follows:

- HGU certificate No. 01 of 1996 for an area of 11,471.9 Ha
  - Based on Letter of Relinquishment of Land Rights No. NT.0102/175.3/14.04/11/23 dated 16 February 2023 has released land rights covering an area of 290.1 hectares so that the area of land rights for HGU Certificate Number 01 is 11,471.9 hectares.
- HGU certificate No. 02 of 1996 for an area of 8,705.1 Ha
  - Based on Letter of Relinquishment of Land Rights No. NT.0102/175.1/14.04/11/23 dated 16 February 2023, Land Rights for 418.6 Ha (Field: 00034) and 4,776.3 Ha (Field 00035) have been released so that the land rights for HGU Certificate Number 02 are 8,705.1 Ha.
- HGB certificate No. 01 of 2000 for an area of 8,8125 Ha
- HGB certificate No. 02 of 2000 for an area of 13,179 Ha

Based on that's explanation above the total area managed by PT BNS is 25,683.99 Ha. From the total area of PT BNS the area under scope certification of Teluk Bakau Factory (Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate) are 2, 13,317.81 Ha, and the rest of the area (12,366.18 Ha) under the scope of Mandah Factory (Mandah Estate and Rotan Semelur Estate).

#### 4.4.2

Based on Minutes of B Committee available in the Decree of Ministry of Agrarian Affairs / Head of National Land Agency No.70/HGU/BPN/95 dated 07 November 1995 regarding grating of land rights (*HGU*) on behalf of PT BNS explained if the area formerly is state land which located in limited production forest (*HPT*) and Convertible Production Forest (*HPK*) that been released by Ministry of Forestry Republic of Indonesia No 98/KPTS-II/1993 dated 20 February 2023.

Even though the area of PT BNS was originally a forest area, the company has been carrying land compensation to the affected parties. Based on document verifications there are several land compensations that were carried out by the company for example during the period of 2003 – 2011. The CH has shown that land acquisition has been done through negotiation. Based on the results of interviews with the Previous landowners as well as community representative from Village of Teluk Bunian, Hamlet of Gurah Baru, Village of Belaras Barat, Village of Rotan Semelur (Hamlet of Parit Sabar Menunggu, Hamlet of Parit Sabar Menanti), Village of Makmur Jaya and Village of Bente obtained information if all compensation process has been held with transparency 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, 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, Receipt of Payment, Minutes of compensation/Compensation, and witnesses. This is stored in their respective estate according to the location of the land. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

The company can show documentary evidence of land acquisition that has been carried out in the *HGU* area of PT Bhumireksa Nusasejati, for example:

- Minutes of Land Acquisition of Community Cultivation Inside the *HGU* Area of PT Bhumireksa Nusasejati Semelur Rotan Estate in Dusun II Dendan, Sungai Simbar Village, Kateman District, Indragiri Hilir District on July 29, 2003,
- Sungai Simbar Villages, Parit 14, 16 and 17. There were 11 location points belonging to the community which were compensated with a total area of 71.01 Ha on 19 February 2007,
- Sungai Simbar Village, Parit 14, 16 and 17. There were 5 location points belonging to the community which were compensated with a total area of 10 Ha on March 2010
- Records of land acquisition on May 12, 2011, covering an area of 8.13 hectares in Parit Gurah Baru, Teluk Bunian Village, Pelangiran Sub District, Indragiri Hilir District.

Although PT BNS 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 document verifications it was known the total of occupations area in the scope of certifications area is 3614 Ha. That's areas managed by the community are palm plantations, horticulture areas, and community settlements. In other information, there is no significant land conflict in PT. BNS related to the existence of arable areas in the company's permit area

Regarding the occupation area, currently, the company is in the process to relinquish the occupation area from legal documents that are owned. There are recommendations from the Regent of Indragiri Hilir Regency (No. 100/TAPEM/1779.119) on November 30, 2021, informing that the Regent of Indragiri Hilir, Riau Province recommended PT Bhumireksa Nusasejati to relinquish part of Land Rights that owned. Furthermore, on 18 October 2022 through letter No 399/BNS/UM/PSD/X/2022 dated 18 October 2022, PT BNS proposed application for Relinquishment of Land Rights (Occupational Area) through the subject of Land as an Object of Agrarian Reform (TORA) can be a fulfillment of the mandatory scheme smallholders program in accordance with applicable regulations. Those letters have been replied to by the National Land Agency of Indragiri Hilir Regency on 22 November 2022 through Letter No MT.01.02/1126.14.04/XI/2022.

The company indicated the release of Cultivation Rights for HGU No. 01 and HGU No. 02, as follows:

- There is a numbering error on the HGU Certificate, whereas HGU Certificate 01 actually has an area of 11,762 Ha (as stated on HGU Certificate Number 2). Then, based on the Letter of Relinquishment of Land Rights No. NT.0102/175.3/14.04/11/23 dated 16 February 2023 has released land rights covering an area of 290.1 Ha so that the area of land rights for HGU Certificate Number 01 is 11,471.9 Ha
- There is a numbering error on the HGU Certificate, whereas HGU Certificate 02 actually has an area of 13,900 Ha (as stated on HGU Certificate Number 01). Then, based on the Letter of Relinquishment of Land Rights No. NT.0102/175.1/14.04/11/23 dated 16 February 2023, Land Rights for 418.6 Ha (Field: 00034) and 4,776.3 Ha (Field 00035) have been released so that the land rights for HGU Certificate Number 02 are 8,705.1 Ha

#### **4.4.3; 4.4.4; 4.4.5**

The company has consulted with the Bappeda of Indragiri Hilir District and made an overlay between the map of the location of the plantation and the Map of the Spatial Planning of the Regency of Indragiri Hilir 2014. Based on the overlay, it is known that the location of the plantation is in the area with the designation: Private Plantation Development.

As mentioned in indicator 4.4.2 PT BNS is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept was not yet available. However, 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, Sub-district 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, Local Language, and provided by participatory mapping.

Based on document verifications as well as field observations it was known there are no indications if the company plant

and maintain oil palm outside the permits area.

**4.4.6**

As mentioned in indicator 4.4.2 PT BNS is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept was not yet available. Based on document verifications, interviews with communities, and management obtained information until the audit was carried out, there is no expansion of area so there is no land compensation activity. last compensation has been finished in 2011. Records of the land compensation process consist of documents of land identification and inventory, land location maps, statement of the release of land rights by the owner, Receipt of Payment, Minutes of compensation/Compensation, and witnesses. Besides that, the implementation of FPIC was demonstrated also in social impact assessment and HCV assessment.

**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, 4.5.4, 4.5.5, 4.5.6, 4.5.7 & 4.5.8**

There is no change from the previous assessment. Based on document review of areal statement, interview with management, and field observation, it is known that there is no new planting activity after 1 January 2010. The planting year after 2010 is classified as second cycle.

**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**

There is no change from previous assessments related procedure of land acquisition (RSPO/6.5/PKK dated 15 September 2014). The Procedure explained the stages of land acquisition which include the principle of land acquisition; research, verification, and inventory data stages; the stage of submitting funds for payment of compensation/land acquisition; payment document verification stage; and document storage.

As mentioned in indicator 4.4.2 PT BNS is a long-established company that has been started operationally in the early period of 1990, were on that's period, the FPIC concept was not yet available. However, the procedure for calculating and distributing fair was conducted through the negotiation phase between the company and each landowner claiming the land and witnessed by various parties.

**4.6.3, 4.6.4**

Based on document verifications, interviews with communities, and management obtained information until the audit was carried out, there is no expansion of area so there is no land compensation activity. last compensation has been carried out in 2009 and there's no scheme smallholder program for the local community. 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, receipt of payment, minutes of compensation, and witnesses.

**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**

There is no change from previous assessments related procedure of land acquisition (RSPO/6.5/PKK dated 15 September 2014). The Procedure explained the stages of land acquisition which include the principle of land acquisition; research, verification, and inventory data stages; the stage of submitting funds for payment of compensation/land acquisition; payment document verification stage; and document storage.

Based on Minutes of B Committee that available in the Decree of Ministry of Agrarian Affairs / Head of National Land Agency No.70/HGU/BPN/95 dated 07 November 1995 regarding grating of land rights (*HGU*) on behalf of PT BNS explained if The area formerly is state land which located in limited production forest (*HPT*) and Convertible Production Forest (*HPK*) that been released by Ministry of Forestry Republic of Indonesia No 98/KPTS-II/1993 dated 20 February 2023.

Even though the area of PT BNS was originally a forest area, the company has been carrying land compensation to the affected parties. Based on document verifications there are several land compensations that were carried out by the company for example during the period of 2003 – 2011. The CH has shown that land acquisition has been done through negotiation Based on the results of interviews with the Previous landowners as well as community representative from Village of Teluk Bunian, Hamlet of Gurah Baru, Village of Belaras Barat, Village of Rotan Semelur (Hamlet of Parit Sabar Menunggu, Hamlet of Parit Sabar Menanti), Village of Makmur Jaya and Village of Benteobtained information if all compensation process has been held with transparency 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, 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, Receipt of Payment, Minutes of compensation/Compensation, and witnesses. This is stored in their respective estate according to the location of the land. Until the audit was carried out, there was no written complaint from the community regarding the land dispute.

The company can show documentary evidence of land acquisition that has been carried out in the *HGU* area of PT Bhumireksa Nusasejati, for example:

- Minutes of Land Acquisition of Community Cultivation Inside the *HGU* Area of PT Bhumireksa Nusasejati Semelur Rotan Estate in Dusun II Dendan, Sungai Simbar Village, Kateman District, Indragiri Hilir District on July 29, 2003,
- Sungai Simbar Villages, Parit 14, 16 and 17. There were 11 location points belonging to the community which were compensated with a total area of 71.01 Ha on 19 February 2007,
- Sungai Simbar Village, Parit 14, 16 and 17. There were 5 location points belonging to the community which were compensated with a total area of 10 Ha on March 2010,
- Records of land acquisition on May 12, 2011, covering an area of 8.13 hectares in Parit Gurah Baru, Teluk Bunian Village, Pelangiran Sub District, Indragiri Hilir District.

Although PT BNS 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 document verifications it was known the total of occupations area in the scope of certifications area is 1889.23 Ha. That's areas managed by the community are palm plantations, horticulture areas, and community settlements. In other information, there is no significant land conflict in PT. BNS related to the existence of arable areas in the company's permit area.

Regarding the occupation area, currently, the company is in the process to relinquish the occupation area from legal documents that are owned. There are recommendations from the Regent of Indragiri Hilir Regency (No. 100/TAPEM/1779.119) on November 30, 2021, informing that the Regent of Indragiri Hilir, Riau Province recommended PT Bhumireksa Nusasejati to relinquish part of Land Rights that owned. Furthermore, on 18 October 2022 through letter no No 399/BNS/UM/PSD/X/2022 dated 18 October 2022 PT BNS proposed Application for Relinquishment of Land Rights (Occupational Area) through the subject of Land as an Object of Agrarian Reform (TORA) can be a fulfillment of the mandatory scheme smallholders program in accordance with applicable regulations. Those letters have been replied to by the National Land Agency of Indragiri Hilir Regency on 22 November 2022 through Letter No MT.01.02/1126.14.04/XI/2022.

The company indicated the release of Cultivation Rights for HGU No. 01 and HGU No. 02, as follows:

- There is a numbering error on the HGU Certificate, whereas HGU Certificate 01 actually has an area of 11,762 Ha (as stated on HGU Certificate Number 2). Then, based on the Letter of Relinquishment of Land Rights No. NT.0102/175.3/14.04/11/23 dated 16 February 2023 has released land rights covering an area of 290.1 Ha so that the area of land rights for HGU Certificate Number 01 is 11,471.9 Ha
- There is a numbering error on the HGU Certificate, whereas HGU Certificate 02 actually has an area of 13,900 Ha (as stated on HGU Certificate Number 01). Then, based on the Letter of Relinquishment of Land Rights No.

NT.0102/175.1/14.04/11/23 dated 16 February 2023, Land Rights for 418.6 Ha (Field: 00034) and 4,776.3 Ha (Field 00035) have been released so that the land rights for HGU Certificate Number 02 are 8,705.1 Ha

**4.7.3**

Until this ASA-2.2 Assessment, there is no expansion of the company area. This statement is supported by stakeholder community agencies.

**Status: Comply**

**4.8**

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

**4.8.1;4.8.2; 4.8.3; 4.8.4**

As a guide to the settlement of the land dispute, the company has a Procedure of Conflict Settlement (RSPO.2.2/PK dated 15 September 2014). BGA-SOP-GL-901.5-RO. The purpose of this procedure is to settle the issues or conflicts with the community in each operational unit.

Until this assessment, there were no open conflicts and land disputes within the certification area. This is also in line with the results of interviews with surrounding communities and related agencies during a public consultation, which stating that there were no land conflicts in the company's operational area. The whole area that managed by the company has been compensated.

Although PT BNS 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 document verifications it was known the total of occupations area in the scope of certifications area is 1889.23 Ha. That's areas managed by the community are palm plantations, horticulture areas, and community settlements. In other information, there is no significant land conflict in PT. BNS related to the existence of arable areas in the company's permit area.

Regarding the occupation area, currently, the company is in the process to relinquish the occupation area from legal documents that are owned. There are recommendations from the Regent of Indragiri Hilir Regency (No. 100/TAPEM/1779.119) on November 30, 2021, informing that the Regent of Indragiri Hilir, Riau Province recommended PT Bhumireksa Nusasejati to relinquish part of Land Rights that owned. Furthermore, on 18 October 2022 through letter No 399/BNS/UM/PSD/X/2022 dated 18 October 2022 PT BNS proposed Application for Relinquishment of Land Rights (Occupational Area) through the subject of Land as an Object of Agrarian Reform (TORA) can be a fulfillment of the mandatory scheme smallholders program in accordance with applicable regulations. Those letters have been replied to by the National Land Agency of Indragiri Hilir Regency on 22 November 2022 through Letter No MT.01.02/1126.14.04/XI/2022.

The company indicated the release of Cultivation Rights for HGU No. 01 and HGU No. 02, as follows:

- There is a numbering error on the HGU Certificate, whereas HGU Certificate 01 actually has an area of 11,762 Ha (as stated on HGU Certificate Number 2). Then, based on the Letter of Relinquishment of Land Rights No. NT.0102/175.3/14.04/11/23 dated 16 February 2023 has released land rights covering an area of 290.1 Ha so that the area of land rights for HGU Certificate Number 01 is 11,471.9 Ha.
- There is a numbering error on the HGU Certificate, whereas HGU Certificate 02 actually has an area of 13,900 Ha (as stated on HGU Certificate Number 01). Then, based on the Letter of Relinquishment of Land Rights No. NT.0102/175.1/14.04/11/23 dated 16 February 2023, Land Rights for 418.6 Ha (Field: 00034) and 4,776.3 Ha (Field 00035) have been released so that the land rights for HGU Certificate Number 02 are 8,705.1 Ha.

**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**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate
- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

The price for FFB to the third party is based on the agreement between PT Bhumireksa Nusasejati and the FFB suppliers. The decision is agreed by all parties. The company informs the price to FFB supplier weekly via email and whatsapp chat. This information can also be confirmed by the interview with the representatives from PT Oscar Investama and PT Riau Sawitindo Abadi.

Based on the explanation, PT Bhumireksa Nusasejati has complied the requirement in this indicator.

**5.1.2**

PT Bhumireksa Nusasejati informs the price to the third party via email and whatsapp chat. It can be shown by the email record from PT Bhumireksa Nusasejati to PT Oscar Investama and PT Riau Sawitindo Abadi, as well as the whatsapp chat record regarding the FFB price. This information can also be confirmed by the interview with PT Oscar Investama and PT Riau Sawitindo Abadi. Therefore, indicator 5.1.2 which stated that evidence is available that the unit of certification regularly explains the FFB pricing to third party has complied by PT Bhumireksa Nusasejati.

**5.1.3**

Based on the document review of Purchase Agreement number 01/OCP/BNS-OSCAR/XI/2022 on October 12, 2023 between the company and PT Oscar Investama, the FFB determination price is mentioned in section 1.4. FFB supplier will be paid based on the agreed price between both parties. The FFB quality is taken into consideration in deciding the price. This information can be confirmed by the interview with PT Oscar Investama and PT Riau Sawitindo Abadi representatives.

Based on the explanation, the details for FFB pricing are agreed by the company and FFB supplier (third party). It is documented and the copy is kept by each party.

**5.1.4**

Teluk Bakau Factory does not receive FFB from smallholders, therefore the requirements in this indicator are not applicable. There is no evidence available which including women and independent representative organizations assisting smallholders and no program regarding replanting with the smallholders.

**5.1.5**

Based on the document review of Purchase Agreement number 01/OCP/BNS-OSCAR/XI/2022 on October 12, 2023 between the company and PT Oscar Investama, the FFB determination price is mentioned in section 1.4. FFB supplier will be paid based on the agreed price between both parties. The FFB quality is taken into consideration in deciding the price. The contract is still valid until December 31, 2024. This information can be confirmed by the interview with PT Oscar Investama and PT Riau Sawitindo Abadi representatives.

Based on the explanation, the details for FFB pricing are agreed by the company and FFB supplier (third party). It is documented and the copy is kept by each party. Therefore, it can be concluded that the contracts are fair, legal and transparent and have an agreed timeframe.

**5.1.6**

Based on the document review of Purchase Agreement number 01/OCP/BNS-OSCAR/XI/2022 on October 12, 2023 between the company and PT Oscar Investama, the FFB determination price is mentioned in section 1.4. FFB supplier will be paid based on the agreed price between both parties. The FFB quality is taken into consideration in deciding the price. The contract is still valid until December 31, 2024. This information can be confirmed by the interview with PT Oscar Investama and PT Riau Sawitindo Abadi representatives.

Based on the explanation, the details for FFB pricing are agreed by the company and FFB supplier (third party). It is documented and the copy is kept by each party. Therefore, it can be concluded that the contracts are fair, legal and transparent and have an agreed timeframe.

The transaction history for instance payment to PT Oscar Investama on September 15, 2023. It was for FFB purchase on 1 - 15 September 2023 with FFB received 257,518 kg and amount to pay IDR 556,809,531. The payment is always completed on time. It can be confirmed by the interview with PT Oscar Investama representatives. In conclusion, there is no issue with the payment.

Based on the explanation, it can be concluded that agreed payments are made in a timely manner and receipts specifying price, weigh, and amount paid are given.

**5.1.7**

PT Bhumireksa Nusasejati Teluk Bakau Factory has calibrated the weighbridge by Industry and Commerce Agency Indragiri Hilir District on November 30, 2023 and valid until November 24, 2024, as details:

- Electric weight bridge GSC, type SGW 3015-S, serial number -, max capacity 5,000 kg and min capacity 20 kg.
- Electric weight bridge GSC, type SGW 3015-S, serial number C 04786, max capacity 5,000 kg and min capacity 20 kg.
- Electric weight bridge GSC, type SGW 3015-S, serial number C 11859, max capacity 5,000 kg and min capacity 20 kg.
- Electric weight bridge GSC, type SGW 3015-S, serial number C 07773, max capacity 5,000 kg and min capacity 20 kg.
- Electric weight bridge GSC, type SGW 3015-S, serial number C 06597, max capacity 5,000 kg and min capacity 20 kg.

The test results is legalized based on the law of Republic Indonesia No 2 in 1981 concerning Legal Metrology.

**5.1.8**

Currently the company does not have contracts with independent smallholders.

**5.1.9**

The company has SOP on Grievance and Complaint Mechanism for All Stakeholders and Community. Details on SOP including objectives, responsibilities, and exception. It is mentioned in the SOP, the company will respon at least two weeks since the submitted grievance and complaints. Based on the interview with representative of PT Oscar Investama, there is no complaints submitted to the company. It can also be confirmed from the report for grievance and complaints to PT Bhumireksa Nusasejati, there is no complaint from the FFB suppliers.

**Status: Comply**

**5.2**

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

**5.2.1**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate
- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

There is no smallholder nearby the company location. Therefore, there is no collaboration between PT Bhumireksa Nusasejati and smallholders. It means there is no awareness on RSPO held by the company to smallholders.

**5.2.2**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate

- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

There is no smallholder nearby the company location. Therefore, there is no collaboration between PT Bhumireksa Nusasejati and smallholders.

**5.2.3**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate
- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

There is no smallholder nearby the company location. Therefore, there is no collaboration between PT Bhumireksa Nusasejati and smallholders.

**5.2.4**

The results of field observations, document reviews, and interviews with company representatives found that Teluk Bakau POM only received FFB from internal sources and from other companies until the RC audit held. There was no FFB received from the plantations around the company, because the local community dominantly planted coconuts.

**5.2.5**

Based on the interview result with sustainability staff, document review on the FFB received, MoU with FFB suppliers, transaction history, and observation to weight bridge station, it can be concluded that Teluk Bakau Factory receives FFB from:

- Own estates: Teluk Bakau Estate, Nusa Perkasa Estate, Nusa Lestari Estate
- Group estates: Rotan Semelur Estate
- Third party (direct supplier): PT Oscar Investama and PT Riau Sawitindo Abadi

There is no smallholder nearby the company location. Therefore, there is no collaboration between PT Bhumireksa Nusasejati and smallholders.

**Status: Comply**

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

**6.1**

**Any form of discrimination is prohibited.**

**6.1.1**

The Unit of Certification have a Code of Business Conduct (COBC) of Sime Darby Plantation which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. It explains that the unit of certification is committed to providing equality in employment opportunities to every employee. Our beliefs and labor standards confirm that we will not discriminate when making decision to employees, promotion or retire works/candidates based on race, color, sex, age, social class, religion, sexual orientation, politics, or disability-only subject to the conditions attached to the role to be performed. The fundamental aims are to ensure diverse and representative profiles of workers through the promotion equality of labor.

Based on interview with estate and mill workers for job vacancies that have been published by the company, there are no requirements that refer to discriminate against gender, race or ethnicity, disability, sexual orientation, age, or belief, so indirectly the company has implemented a non-discrimination policy and also equal opportunity. This is evidenced by the diversity of ethnic accepted to work.

Based on interviews with estate and mill workers, representatives of the gender committee and *LKS Bipartite* also obtained information that there was no indication of acts of discrimination based on religion, ethnicity, gender and regional origin in the process of accepting work.

**6.1.2**

The company has a policy to respect human rights in a Code of Business Conduct (COBC) of Sime Darby Plantation which has been effective since April 2022, including that the company will fulfill its responsibility to respect human rights by implementing relevant articles from the UN guiding principles on human rights and business such as providing equal employment opportunities without discriminating against race, religion, degree, ethnicity, gender, skin color, disability, sexual orientation, political affiliation, protecting female workers from sexual harassment, acts of violence, and rights related to women's reproduction, not employing children under 18 years old, none forced labor or labor from human trafficking. The company is committed to recruiting ethically and providing a healthy and safe work environment for all employees, contractors and visitors.

At TBF, TBE, NPE, and NLE no person may experience discrimination in employment, including recruitment, compensation, promotion, training, disciplinary action, termination of employment or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, gender identity, nationality, political opinion, social group, ethnic origin, reproductive rights or other forms of discrimination.

Based on interviews with trade unions, gender committees and employees at TBF, TBE, NPE, and NLE, the same information was obtained that so far everyone has had the same treatment in getting job opportunities, for example shown by the openness of information when job vacancies are published publicly. transparent. From the updated employee list for the December 2023 period, it is also known that the current employee demographics are diverse, not limited to religion, ethnicity and certain groups.

Examples of job vacancy announcements that have been submitted openly have been shown, for example job vacancies for teacher of elementary school and operator in TBF positions for the 2023 period. In these vacancies there are no work requirements that indicate discrimination against certain groups. Thus, it can be concluded that the company has implemented a policy regarding equal opportunities and treatment to obtain employment opportunities.

**6.1.3**

Based on verification of employee personal files and interviews with the company's HR staff, it shows that the recruitment process for all employees is carried out through the same process where prospective workers must meet the requirements in the form of: application letter, photocopy of personal and family identity, medical check-up results and obtaining an acceptance letter Work.

There are examples of the application of an equal opportunity employment policy for all workers to ensure that workers are protected from discrimination at all stages of the employment relationship, such as the permanent employee determination document No. 67/SK//BNS-NPE/V/2023 on June 1<sup>st</sup>, 2023 for Harvester at NPE with initial name P.A and No. 84/SK//BNS-NPE/VIII/2023 on August 1<sup>st</sup>, 2023 for Harvester at NPE with initial name Y.

In addition, there are examples of other employee promotion in TBE with initial name A.A.R, S.H and R.S were evaluated on July 21<sup>st</sup>, 2023 with good results. The employee is appointed as a permanent employee who is approved by the TBE Estate Manager.

The appointment of employees is based on the results of an evaluation that is carried out periodically every month, with aspects assessed including discipline, quantity of work, cooperation, work attitude, and responsibility. In addition, the results of verification of the Employee List show that workers come from various ethnicities, religions, education and ages.

Based on the description above, it shows that selection, recruitment, employment, access to training, and promotions are carried out on the basis of employee skills and abilities.

**6.1.4**

Pregnancy tests for workers are carried out only to ensure that pregnant workers are not allowed to work with chemicals, not as a basis for discriminating against these workers. If declared pregnant, the worker will be transferred to a job that is safer but remains the same in terms of wages and other benefits, so there is no discriminatory action. This was clarified by the results of interviews with female applicator pesticide at TBE, NPE and NLE as well as representatives of the gender committee which stated that female workers are required to take a monthly pregnancy test at the clinic to ensure that no

female worker in a pregnant/breastfeeding condition is work exposed to chemicals.

In addition, based on the results of a review of employee recruitment documents, it was found that there was no obligation for prospective female workers to take a pregnancy test when recruiting workers, but only to carry out physical health tests, administration and interviews.

Based on the description above, it shows that there is no pregnancy test which is a discriminatory measure.

#### **6.1.5**

The Unit of Certification has a gender committee that has been formed and chaired by the chair of the committee and coordinators in several sections and there are representatives in each unit. The gender committee structure only consists of female workers, but for builder and supervisors it consists of male representatives, namely unit managers and assistant managers. For example, Head of the gender committee in TBF is Mrs. E and Head of Committee Gender in NLE is Mrs. S.A.

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 company 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 and male 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 company.

The Unit of Certification also showed the policy against sexual harassment, violence, and reproductive rights. It stated that company 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).

Some of the gender committee activities include an internal meeting in TBE held on June 16<sup>th</sup>, 2023 and socialization and workshop committee gender on March 17<sup>th</sup>, 2023 in TBF.

Based on interviews with the management of the gender committee revealed that the management and members of the gender committee have understood issues related to reproductive rights and gender-based violence that often occur in plantation areas where management and members are constantly monitoring and discussing in each unit where until now there has been no violation on reproductive rights and gender based violence

#### **6.1.6**

The Unit of Certification does not discriminate against workers' rights. The company has a non-discrimination and same opportunity policy as indicated in a Code of Business Conduct (COBC) of Sime Darby Plantation. It is stated that the company ensures that all workers receive wages that are equal to or exceed the legally stipulated minimum wage. Workers get wages in accordance with the Decree of the Governor of Riau No. Kpts 1783/XII/2022 on December 7, 2022 concerning Determination of the Indragiri Hilir Regency Minimum Wage for 2023, namely IDR. 3,241,141.76

Payment of fair wages has been made by the unit of certification by considering ability, performance, expertise, years of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This is stated in the attached document to Decree of HR Management No. 005/HRM-i5.1/SUSU/I/2023 concerning the Structure and Scale of Wage for Permanent Employees of PT BNS for 2023 which was approved by the Head of HRM on 02 January 2023. Wages consist of 3 namely basic wages, fixed allowances and non-fixed allowances. Here are some examples of pay slips based on the company's pay scale structure:

- Pay slips for permanent employees for the December 2023 period with employee ID No. 13682 at TBE with a total wage of Rp. 4,171,891, consisting of basic wages IDR 3,111,496, premiums, Health Assurance benefits, Social Assurance and their deductions.
- Pay slips for permanent employees for the December 2023 period with employee ID Number 168107 at TBE with a total wage of IDR 8,076,777 consisting of basic wages IDR 3,241,142, premiums, Health Assurance benefits, Social Assurance and their deductions.

- Pay slips for permanent employees for the December 2023 period with employee ID Number 43170 at TBF with a total wage of IDR 7,074,491 consisting of basic wages IDR 3,377,572, premiums, Health Assurance benefits, Social Assurance and their deductions.

Based on the description above, it shows that the company already has proof of payment of equal wages for the same scope of work.

**Status: Comply**

**6.2**

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

**6.2.1**

The company has documentation of wages, including in the Decree of the Governor of Riau No. Kpts 1783/XII/2022 on December 7, 2022 concerning Determination of the Indragiri Hilir Regency Minimum Wage for 2023, namely IDR. 3,241,141.76

Payment of fair wages has been made by the unit of certification by considering ability, performance, expertise, years of service and other factors as the basis for remuneration. So that the payment of wages given is in accordance with the burden, duties and type of work of each. This is stated in the attached document to Decree of HR Management No. 005/HRM-i5.1/SUSU/II/2023 concerning the Structure and Scale of Wage for Permanent Employees of PT BNS for 2023 which was approved by the Head of HRM on 02 January 2023.

The company has identified a living wage by calculating updated wages, facilities and benefits received by employees. The company has set a minimum wage of IDR. 3,241,143 (plus a rice supply for worker of 15 Kg, Wife 9 Kg and Child 7,5 Kg/Person) to IDR 4,140,094. Employees are given other wages in accordance with their position and title, including work premiums, work attendance incentives, length of service incentives, BPJS facilities, housing, transportation, education, daycare, sports facilities, electricity and clean water.

Companies can also show documentation of wages in accordance with the results of their work, for example, wages for Operator in NLE with ID Number 156643 in the December 2023 get a wage of IDR. 5,238,532. The wages consist of basic salary, overtime, Employment Assurance Benefits, Health Assurance Benefits, Family Allowances, and Deductions Assurance. The company recruits permanent employees for main jobs and contract employees for temporary jobs.

In the work agreement document, the terms and conditions of work are stated, including workers must use PPE according to the risks of their work, workers must comply with labor regulations, comply with company business ethics, prohibit child employment, forced labor and workers from human trafficking.

Based on the description above, it shows that the company has documented records of wages and working conditions in accordance with applicable labor regulations

**6.2.2**

The company has a Collective Labor Agreement for 2023-2024 which regulates the rights and obligations of workers such as recruitment, selection, transfer, promotion, performance appraisal, remuneration, discipline, reduction, overtime, sickness, holiday entitlements, maternity leave and other provisions. In addition to the Labor Agreement, the unit of certification also has policies and work contracts for workers that regulate the rights and obligations of workers.

The company's wage adjustment refers to the Decree of the Board of Directors Number 243/CEOPSM1/HRPSM1/12/2022 concerning the Structure and Scale of Wages for Permanent Employees of HR Management No. 005/HRM-i5.1/SUSU/II/2023 concerning the Structure and Scale of Wage for Permanent Employees of PT BNS for 2023 which was approved by the Head of HRM on 02 January 2023. Wages consist of 3 namely basic wages, fixed allowances and non-fixed allowances. The highest wage is Grade 8A of IDR. 4,140,942 and the lowest wage is Grade H of IDR. 3,241,141.76

The company shows examples of Worker Agreement in TBE including Temporary Worker Agreement No 18/BNS/PKWT-TBE/IV/2023 on April 1<sup>st</sup>, 2023 on behalf B.S valid until March 31<sup>st</sup>, 2023. The agreement has discussed several articles:

type of work and place of work, working days and hours; terms and conditions of work; validity period; Remuneration; the rights and obligations of the first party; the rights and obligations of the second party; the end of the work agreement; and cover. The agreement was signed by both parties and recorded by the Manpower and Transmigration Agency of the Indragiri Hilir Regency with Number 485/NAKERTRANS-INHIL/HISK/560.

Based on the description above, it shows that companies can show work agreements along with related documents that regulate detailed wages and work conditions and salary detail documents that provide information regarding compensation for work performed.

**6.2.3**

The company has proof of legal compliance with regular working hours, overtime, sick leave, vacation entitlements, maternity leave, notice periods before termination of employment, and other employment provisions. The company shows proof of payment of salary including overtime pay, for example there is wages received by employees with NIK 88884 as Sortation in TBF. In details, his salary consists of overtime of IDR 3,786,787 (for overtime value 187,5 hours), basic salary IDR 3,301,192, Health Assurance allowances, Worker Union deductions, Employment Assurance deductions and Health Assurance deductions, so that the total wages received by these employees is Rp. 6,632,411.

In addition, the Company has also submitted an application for leave employees of NPE NIK 69982 from 4<sup>th</sup>–17<sup>th</sup> Januari 2024 which has been approved by Sr Asisten NPE, Sub Dept Head of Administration of NPE and the NPE Manager.

The company has also shown proof of payment to pension employees, including proof of payment to employees with ID 0000114357 with Agreement Letter No. 93/BNS-NPE/IX/2023 on September 4<sup>th</sup> 2023 and has been completely paid by the Company on September 26<sup>th</sup>, 2023.

Based on the description above, it shows that the Company has proof of legal compliance for regular working hours, overtime, and other employment provisions.

**6.2.4**

The company has provided welfare facilities for its residents in the form of housing, clinics, water supply, electricity, education, transportation, places of worship (mosques & churches), sports facilities and others. Based on observation to the TBF, TBE, NPE and NLE, it is known that workers are provided with adequate housing facilities with 2 bedrooms, 1 bathroom and there is a daycare for children and a nursing room. The house is occupied by 1 family and specifically for unmarried workers, 1 house will be filled by 2-3 workers. The company also has a source of water from reservoirs and wells which are never short of supply. The company also has clinics and medical staff who are competent and certified. In addition, there is good access to attend kindergarten, elementary, junior high and high school level education for children of company employees who are still of school age. In general, the facilities provided by the company are suitable for use by workers and their families.

The company already has good employee facilities and has an improvement plan for the next 6 years (2022-2028), and is currently in the process of improving housing facilities. As a result of interviews with workers, there were no complaints that had not been followed up by the company.

The certification unit has a program to build 1,000 doors for PT BNS including MDF, MDE, RSE, TBF, TBE, NPE and NLE units. The scope of this certification consists of TBF, TBE, NPE and NLE, as follows:

Estate/ Mill	Current Condition of Housing											Development Plan				
	Permanent			Semi Permanent			Non Permanent			Shortage		2024	2025	2026	2027	
	G1	G2	G6	G1	G2	G6	G1	G2	G6	G1	G2	G6	G6	G6	G6	G6
TBF	-	36	12	-	-	-	7	56	-	-	15	-	18	18	18	66
TBE	8	92	24	-	-	-	33	184	55	-	-	234	36	30	30	30
NPE	11	96	48	-	-	12	-	136	6	7	-	243	36	36	36	36
NLE	11	96	48	-	-	12	-	136	6	7	-	174	36	36	36	-

Based on the description above, it shows that the Unit of Certification provides decent housing, sanitation facilities, water supply, medical needs, education and public facilities.

**6.2.5**

The unit of certification has made it easier for workers and their families to obtain food sources by providing an employee cooperative that sells daily necessities and providing access to vegetable traders to sell in workers' housing areas. Apart from that, there are also workers who open small business stalls to sell daily needs in every housing complex.

Based on interviews with workers (harvesters, pesticide applicators, upkeep workers and factory operators), residents of housing, trade unions and gender committees, it is known that workers do not experience difficulties in obtaining food sources because the company has provided cooperatives that sell daily necessities and there are vegetable sellers who given access to sell around the housing.

Based on the description above, it shows that the Unit of Certification seeks to improve workers' access to adequate, sufficient, and affordable food.

**6.2.6**

The company has a valid wage assessment determination and all types of benefits for Living Wage simulation on 2023. This calculation is shown in the Prevailing Wage & Inkind Benefit Calculation document for the 2023 Fiscal prepared by Sub Dept Head of Administration & Estate Manager. Its components consist of: Basic Salary, Benefits (Holiday allowance & Rice/Cash), Non-Cash Facilities (Electricity, Houses, Water, Schools, Polyclinic Facilities & Services; Daycare).

The results of the Prevailing Wage calculation show above the minimum wage provisions (Minimum wage of Indragiri Hilir Regency in 2023 Rp. 3,241,141.76)

Referring to the provisions of the Riau Province minimum wage in 2023, it is known that it is 3,191,662. Based on the document review the company has conducted a simulation of the applicable wage assessment and all types of benefits for the Living Wage simulation in 2023. This calculation is shown in the Prevailing Wage Calculation document for Fiscal Year 2022 PT BNS. From the calculations carried out the types of allowances in the form of goods that are included in the calculation include rice allowances, housing facilities, electricity facilities, water facilities, schools and health facilities (polyclinics) and Daycare

**6.2.7**

The Unit of certification has non-staff workers with the status of Contract Workers and Permanent Workers. All rights for each employment status have been differentiated. For workers, the certification unit also registersto the Indragiri Hilir Regency Manpower and Transmigration Agency with register number 484/NAKERTRANS-INHIL/H/SK/560 on April 1<sup>st</sup>, 2023. Based on a document review, it is known that there is'n contract workers at TBF, there is contract workers at TBE, NPE and NLE for upkeep workers

The Unit of Certification has shown a list of employees for December 2023 in each unit as shown below:

NO	UNIT	EMPLOYEE		
		PERMANENT	CONTRACT	TOTAL
1	Teluk Bakau Factory	109	-	109
2	Nusa Lestari Estate	323	24	347
3	Nusa Perkasa Estate	406	50	456
4	Teluk Bakau Estate	367	45	412

Based on interviews with Pesticide Applicators, harvesters and factory operators found that workers understand the recruitment system, worker status and the orientation period that must be passed before workers are appointed as permanent workers. These processes are stated to be quite fair and provide equal opportunities to work according to the abilities, skills and achievements of workers during the contract period. In terms of wages, it is in accordance with minimum wage standards and workers have also received social assurance and PPE from the unit of certification.

**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 Unit of Certification has a Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. Point 5.7 on Human Rights in the section "Respecting Freedom of Association" explains that the company is committed to respecting workers' rights to join and form organizations of their choice and to bargain collectively. In addition, certification unit has a Collective Labor Agreement which states that workers have the right to establish trade unions and become members / leaders of labor unions in accordance with applicable regulations. The information on freedom of association listed in the Collective Labor Agreement was carried out regularly and the last socialization was held on 21 November 2023.

As proof that the policy has been implemented properly, the certification unit has three (3) active labor union to date. Every labor union has been registered to Manpower and Transmigration Agency of Indragiri Hilir Regency, such as:

- Reporting Changes in Management No. 560/Disnakertrans-HISK/II/2020/02 on January 16<sup>th</sup>, 2021 from the Department of Manpower and Transmigration of Indragiri Hilir Regency for Changes in Management of the PUK-SPSI Teluk Bakau Factory (TBF). The organizational structure of the labor union at TBF is for the 2021-2026 period
- Decree Letter No. 69.A/PC-FSPPP/SPSI/INHIL/IV/2022 on April 4<sup>th</sup>, 2022 from Labor Union of Indragiri Hilir Regency for Changes in Management of the PUK-SPSI Teluk Bakau Estate (TBE). The organizational structure of the labor union at NLE is for the 2022-2027 period
- Reporting Changes in Management No. 560/Disnakertrans-HISK/IX/2018/02 on September 19<sup>th</sup>, 2018 from the Department of Manpower and Transmigration of Indragiri Hilir Regency for Changes in Management of the PUK-SPSI Nusa Perkasa Estate (NPE). The organizational structure of the labor union at NPE is for the 2018-2023 period
- Reporting Changes in Management No. 560/Disnakertrans-HISK/IX/2019/01 dated September 9<sup>th</sup>, 2019 from the Department of Manpower and Transmigration of Indragiri Hilir Regency for Changes in Management of the PUK-SPSI Nusa Lestari Estate (NLE). The organizational structure of the labor union at NLE is for the 2019-2024 period

The Unit of Certification has a workers' union in each unit, namely at Teluk Bakau Factory, Teluk Bakau Estate, Nusa Lestari Estate and Nusa Perkasa Estate. As a result of the document review, it was discovered that the management composition of the Nusa Perkasa Estate workers union was approved by the Head of the Manpower and Transmigration Department on September 19<sup>th</sup>, 2018 and the management composition was for the 2018-2023 service period. The certification unit has the opportunity to renew the management structure of the trade union for the next term of service. **OFI**

Based on interviews with labor union representatives, it is known that currently have a union that sufficient to accommodate all the aspirations of the workers in the estate and mill units. This was further in accordance with interviews with estate and mill workers who stated that the current labor union had adequately carried out its duties and responsibilities and that workers were given the freedom to choose their representatives to participate in the management of union in estates and mills. In addition, the certification unit has given freedom to all its workers if they really want to associate or join the management of the labor union and this has been routinely socialized every year.

The company is committed to respecting and ensuring the fulfillment of the rights of all workers in accordance with applicable laws and regulations by referring to international initiatives and standards. The company does not prohibit, hinder, or limit workers from forming or not forming trade unions in terms of realizing freedom of association and assembly for every worker. The company also does not interfere in the process of selecting union officials. Trade unions have a function as a party in drafting collective labor agreements and settling industrial relations disputes.

Based on the description above, it shows that the company has made a published statement, which recognizes freedom of association and the right to collective bargaining in the national language. The statement is explained to all workers in a language they understand and can be proven to be implemented.

**6.3.2**

The company holds a meeting with Bipartite Agency once a month or every time there is a program that needs to be discussed immediately. The company shows recordings of meetings in the form of meeting minutes between the certification

unit and the workers' union or Bipartite Agency of 2023, namely:

- The *SPSI* meeting with the company on July 21<sup>st</sup>, 2023 in NLE was attended by 8 Labour Union administrators, discussing distribution rise
- The *SPS*/meeting with the company on December 14<sup>th</sup>, 2023 in TBF was attended by 11 Labour Union administrators, discussing about praying room and housing facilities

Based on the description above, it shows that the company has held a meeting with the Bipartite Agency and proves it with the minutes of the meeting.

**6.3.3**

The company does not interfere in selecting or organizing trade union activities, this is evidenced by the results of interviews with representatives of workers and trade unions which state that in the process of selecting/decision-making and planning activities, members provide input/aspirations to their respective representatives to make selections/decisions. The company has a workers union and has been registered with the Indragiri Hilir Regency Manpower Agency as explained in indicator 6.3.1

Based on the description above, it shows that management does not interfere with the formation or activities of registered organizations/workers' unions.

**Status: Comply**

**6.4**

**Children are not employed or exploited.**

**6.4.1**

The company has policies regarding child protection, including those stated in a Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. In Point 5.7 in the section "Protecting Children's Rights" the company is committed to supporting children's welfare, and protecting them from all forms of inappropriate treatment or exploitation, including sex on children, child trafficking, child labor and child pornography. From this policy, the company has shown its commitment openly (this policy can be accessed online on the Sime Darby Plantation website) and has socialized it to relevant stakeholders (workers, trade unions, surrounding communities to contractors). The company strongly supports government programs and therefore strictly does not allow anyone to employ child labor outside the provisions of the applicable law. To ensure that no child labor is used, the Company determines the age of applicants or prospective employees of at least 18 (eighteen) years as evidenced by an *E-KTP* (Electronic Identity Card) or a Birth Certificate / Birth Identification Certificate and Family Card. This is also stated in each agreement letter with the contractor.

In addition, based on field observations at TBF, TBE, NPE, and NLE, no child workers were found. This is also in accordance with the information provided by the Head of the Trade Union, as well as representatives from the Manpower Office in Indragiri Hilir Regency that there is no issue of child labor in the company.

Based on the description above, it shows that companies can show formal policies regarding child protection, including the prohibition of child labor, and this policy is included in service contract documents and agreement documents with suppliers.

**6.4.2**

The Unit of Certification shows the employee list document for the PT BNS for December 2023 where there are no children under 18 years old who are employed. The policy regarding the prohibition of child labor is contained in the Code of Business Conduct (COBC) of Sime Darby Plantation on 2022, it is stated that the Unit of Certification is committed to Child Protection, prohibiting child labor and forced labour. This is also stated in each agreement letter with the workers.

Based on interviews with HC staff, it was explained that in the process of recruiting employees, identity checks (*E-KTP* or Birth Certificate) will be carried out to ensure that the age requirements of workers are met and not violated. This is also in accordance with the results of field verification that found no child laborers working in the company.

Based on the description above, it shows that companies can show evidence of fulfilling the minimum age requirements of workers in accordance with applicable regulations.

**6.4.3**

In accordance with indicator 6.4.1 regarding the policy that applies to the minimum age of workers and the process of employee recruitment as well as the results of observations in the field, it is known that there are no young workers and at the time the Audit was carried out there were no students carrying out field work practices for the needs of fulfilling the school curriculum.

Based on the description above, it shows that the company does not use young workers in its operational activities.

**6.4.4**

The Unit of Certification has conducted outreach regarding the prohibition of child labor both verbally and with warnings. For example, there was a socialization of sustainability policies, including related to the prohibition of forced labor or using child labor, which was conveyed to TBE employees on Juni 16<sup>th</sup>, 2023. During the socialization activity, 18 employees attended, consisting of foremen and fertilizer applicators. On November 17<sup>th</sup>, 2023 socialization regarding the prohibition of child labor was carried out at NLE which was attended by 16 employees. In addition to verbal socialization, the company also conducts visual socialization, including by posting warnings prohibiting the employment of children under 18 years old and the prohibition of bringing children to the work area. These warnings were posted in all employee housing at TBF, TBE, NLE and NPE.

Based on the description above, it shows that the unit of certification can prove the delivery of a 'prohibition of child labour' policy.

**Status: Comply**

**6.5**

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

**6.5.1**

The Unit of Certification has a policy regarding the prevention of sexual harassment and violence and other forms of which are listed in the Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. In Point 5.3 regarding Harassment and Violence which explains that the company is committed to prohibiting all acts of harassment and violence that exist within the company's operational environment. This includes, among other things, degrading comments based on gender, characteristics or race or ethnicity, sexual misconduct, spreading malicious rumors, voice messages or communication channels for sending degrading or discriminatory material. This policy can be easily accessed online on the website and the company has routinely disseminated it to stakeholders (workers, trade unions, local communities to contractors) every year. The company does not tolerate any form of harassment and abuse of authority including physical, sexual, psychological or verbal violence. Everyone must be treated with respect and dignity. Any disputes with local communities must be handled in accordance with the principle of equality and free from intimidation, violence and harassment.

This policy has been disseminated to all employees, including at NPE on December 22<sup>th</sup>, 2023 which was attended by 73 employees. The purpose of this meeting is to convey information to all employees regarding sexual harassment and reproductive rights, and gender equality.

In addition, there was a socialization held on June 16<sup>th</sup>, 2023 at TBE which was attended by 18 employees. The purpose of this activity is to socialize complaints about sexual harassment, protection of women, child labor and anti-discrimination.

Based on the results of interviews with the gender committee, it is known that so far there has never been an incident of sexual harassment against workers. This is also in accordance with the results of interviews with pesticide applicators and fertilizer applicator.

Based on the description above, it shows that the unit of certification has carried out socialization regarding company policies regarding the prevention of sexual harassment and violence and other forms and communicated them to all employees.

**6.5.2**

The Unit of Certification has a policy related to reproductive rights listed in Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. In Point 5.3 regarding Harassment and Violence which explains that the company is committed to prohibiting all acts of harassment and violence that exist within the company's operational environment. This includes, among other things, degrading comments based on gender, characteristics or race or ethnicity, sexual misconduct, spreading malicious rumors, voice messages or communication channels for sending degrading or discriminatory material. This policy can be easily accessed online on the website and the company has routinely disseminated it to stakeholders (workers, trade unions, local communities to contractors) every year. The company has established a Gender Committee. In addition to gender and reproductive aspects, the gender committee also covers social, religious, health and child protection. The company has conducted outreach regarding this policy in each unit.

The company has also carried out socialization regarding reproductive rights and reproductive health including the socialization carried out by the gender committee on October 23<sup>th</sup>, 2023 at NPE which was attended by 20 people and December 13<sup>th</sup>, 2023 at TBF socialization regarding rights women's reproduction was attended by 21 employees. Based on interviews with pesticide applicator in NPE and TBF who understand reproductive rights protection policies.

Based on the description above, it shows that the company already has a company policy regarding the protection of reproductive rights, especially for women.

**6.5.3**

The company has a policy regarding pregnant and lactating workers in the Sime Darby Plantation Code of Business Conduct (COBC) which has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. In Point 5.3 regarding Harassment and Violence which explains that the company is committed to prohibiting all acts of harassment and violence that exist within the company's operational environment. This includes, among other things, degrading comments based on gender, characteristics or race or ethnicity, sexual misconduct, spreading malicious rumors, voice messages or communication channels for sending degrading or discriminatory material. The company does not employ pregnant and lactating women workers in places, locations and jobs that according to doctors are dangerous to the health and safety of their wombs and themselves. Women workers who are still breastfeeding are given appropriate opportunities to breastfeed their children if it has to be done during working hours. Workers Pregnant and lactating women are prohibited from working in jobs related to chemicals.

The company has conducted an assessment of the needs of new mothers by asking for their opinion, as well as taking action to meet the needs that have been identified in accordance with applicable regulations in Indonesia. This assessment carried out September 4<sup>th</sup>, 2023. The company has facilitated the knowledge of pregnant women workers through training classes for pregnant women with the aim of:

- Mothers can understand pregnancy checks so that the mother and fetus stay healthy
- Mothers can understand the preparation for childbirth, postpartum and keeping the baby growing healthy
- Mothers can understand and understand the prevention of complications of pregnancy, childbirth and postpartum so that mothers and babies are healthy
- Mothers can understand and understand newborn care for optimal growth and development.

In addition, the Company has fulfilled the needs of new mothers, such as:

- Examination of the pregnancy test is carried out every month
- Routine visits to *Posyandu* every month
- Nutrition guidance for pregnant and breastfeeding women by *Posyandu*
- Provision of nutritional intake every month at *Posyandu*
- Injections for pregnant women every month at *posyandu*
- Monitoring the content every month
- Suggestions and guidance regarding the equipment needed by *Posyandu* for prospective babies
- Assignment of duties and responsibilities adapted to the condition of pregnant women
- Get 1.5 months leave before giving birth and 1.5 months after giving birth

- Provide breastfeeding time when working
- Provide lactation facilities at BPA for employees who will breastfeed their babies.

The company has provided paid breaks to enable new mothers with infants 24 months or younger to breastfeed or express and store breastmilk.

Based on interviews with the Pesticide Applicators and the fertilizer Applicators at NPE, NLE and TBE, it is known that employees can be given permission if they are going to breastfeed their babies. However, based on field observations of Pesticide Applicators and the fertilizer Applicators at NPE, NLE and TBE, there were no workers who were still breastfeeding their children.

Based on the description above, it shows that the company has assessed the needs of new mothers by asking for their opinion, as well as taking action to meet the identified needs according to regulations in force in Indonesia.

**6.5.4**

The company has procedures for handling complaints/grievance and conflict resolution including filing complaints that guarantee the anonymity and protection of the complainant if requested. This procedure is contained in the SOP for Handling Complaints and Conflicts No. RSPO/6.5/PKK. The purpose of this SOP is to ensure that complaints and conflicts originating from within (internal) and from outside the company (external) can be resolved effectively and efficiently by taking into account the principles and criteria of oil palm plantations. The procedure explains the mechanism starting from submitting employee complaints to supervision, continuing to assistants, responding to complaints from the Manager to the Head of Department to holding a bipartite meeting if the complaint cannot be responded to by the Manager. The company must provide a response no later than 14 days after the complaint is received and recorded in the internal complaint book.

The scope of this SOP includes recording of complaints and conflicts, rating, communication, planning, handling, monitoring and reporting of the handling of complaints and conflicts originating from internal and external parties of the company. This procedure also includes handling reports of sexual harassment and acts of violence that occur within the company's operational permits.

The company has a complaint resolution mechanism related to employment, including that each reporter's identity (anonymity/whistleblower) is maintained/confidential. Complaints related to employee complaints can be submitted via SMS, WA, email, and telephone. For example, there are banners containing telephone numbers that can be contacted if there are complaints and these banners are posted in each unit, namely the TBF, NLE, NPE and TBE offices. In the problemsolving process, the employee's supervisor is required to study employee complaints accompanied by evidence/facts to resolve the problem.

The results of the document review of outgoing and incoming letters, there were no reports of complaints from TBF, NLE, NPE and TBE. Based on interviews with fertilizer Applicators, Pesticide Applicators, harvesters and factory operators, it is known that the workers understand the complaints and complaint mechanisms. This is known because the company routinely provides guidance regarding complaints and grievances every year and there is a suggestion box in each office along with a complaint hotline. Apart from that, there is a whistleblowing mechanism listed in the Sime Darby Plantation Code of Business Conduct (COBC) which has been in effect since April 2022 and all its subsidiaries. This mechanism can be used by workers to ensure that the identity of the reporter does not want to be known.

Based on the description above, it shows that the company already has procedures for handling complaints/grievances and conflict resolution including submitting complaints that guarantee the anonymity and protection of the complainant if requested.

	<b>Status: Comply</b>	
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**6.6**  
**No forms of forced or trafficked labour are used.**

**6.6.1**  
The company has a policy regarding forced labor in the Sime Darby Plantation Code of Business Conduct (COBC) which

has been effective since April 2022 for Sime Darby Plantation and all of its subsidiaries. Point 5.7 concerning Human Rights in the section "Eliminating All Forms of Exploitation" explains that the company's commitment to eradicate/eliminate all forms of forced or bonded labor, slavery, human trafficking and sexual exploitation in all company work operations. Based on the results of interviews with workers, trade unions and gender committees in plantations and factories, there were no issues of coercion, slavery and labor trafficking as well as all forms of exploitation. Based on this policy, the company guarantees to all workers/laborers in the work environment, free from all forms of forced labor or the practice of human trafficking, especially prohibiting slavery in any form.

Based on interviews with management representative and document review the employee list, it is known that there are no migrant workers.

In addition, based on interviews with workers at TBF, TBE, NPE and NLE it is known that company employees are employees with permanent employee status. Workers come voluntarily to apply for jobs that are available free of charge and without storage of identity documents, and the majority come from local communities around the plantations. Overtime is monitored by the company, and workers are given the freedom to choose to work overtime by signing an overtime order if there is work that requires overtime. In addition, there is no penalty for termination of employment if they want to terminate the contract early and there has never been a withholding of workers' wages.

Based on the information above, it shows that the company can prove that the workforce accepts work voluntarily and freely.

**6.6.2**

Based on interviews with SQM Assistants and document review, it is known that the employee status at PT BNS consists of Permanent Worker and Contract Workers. The Unit of certification has non-staff workers with the status of Contract Workers and Permanent Workers. All rights for each employment status have been differentiated. For workers in TBE, the certification unit also registers these workers with the Indragiri Hilir Regency Manpower and Transmigration Agency on April 1<sup>st</sup>, 2023. Based on a document review, it is known that there is no contract workers at TBF, there is contract workers at TBE, NPE and NLE for upkeep workers. The company also carries out assessments of Harvesters as a consideration for becoming permanent employees, for example employees in NPE with the initials Y (NIK 000016774), as Harvesters are determined to be permanent employees because the assessment results show that these employees have good performance.

Based on the document review and field observations, it is known that there are no migrant workers at PT BNS.

Based on the description above, it shows that there is an employment policy for temporary workers along with evidence of its implementation. In addition, there are no migrant workers employed at PT BNS.

Status: Comply

**6.7**

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

**6.7.1**

The unit certification has an OHS Committee established for mill and estates units, based on approval by the relevant agencies, there are:

- **Teluk Bakau Estate:** Decree of the Head of the Riau Province Manpower and Transmigration Service Number KEP.263/DISNAKERTRANS-PK/SK-P2K3/VII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on July 27 2023 with the secretary of the K3 Committee on behalf of KK ( initials).
- **Nusa Lestari Estate:** Decree of the Head of the Manpower and Transmigration Service of Riau Province Number KEP.312/DISNAKERTRANS-PK/SK-P2K3/VIII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on 22 August 2023 with the secretary of the K3 Committee on behalf of LES ( initials).
- **Teluk Bakau Factory:** Decree of the Head of the Riau Province Manpower and Transmigration Service Number KEP.313/DISNAKERTRANS-PK/SK-P2K3/VIII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on 22 August 2023 with the secretary of the K3 Committee on behalf of

KK ( initials).

- **Nusa Perkasa Estate:** Decree of the Head of the Manpower and Transmigration Service of Riau Province Number KEP.165/DISNAKERTRANS-PK/SK-P2K3/XII/2023 concerning Approval of the Management of the Occupational Safety and Health Advisory Committee (P2K3) on December 28 2023 with the secretary of the K3 Committee on behalf of LES ( initials).

The Secretary of the OHS Committee has attended General OHS Expert Certification training from the Ministry of Manpower of the Republic of Indonesia with a General OHS Expert certificate with LES (initials) number 5/11926/AS.02.04/XI/2020 dated 27 November 2020 and Number 5/11926/AS.02.04 /XI/2020 dated 27 November 2020 in the name of LES (initials), and Number 5/11927/AS.02.04/XI/2020 November 2020 in the name of KK (initials), which is valid for 3 years. With an extension carried out on December 11 2023, with the issuance of a certificate for 90 days according to the statement letter (No. 2039/K3/SJP-PKU/XII/2023) from PT Sepakat Jaya Pertama as the training provider.

OHS Committee meetings have been held regularly every 3 months held for each unit (TBF, TBE, NLE, and NPE) with discussions of OHS issues and their follow-ups. For examples the meeting discus in TBE for the Q4 period which will be held on December 13 2023, which discusses about update unsafe actions and conditions to minimize and eliminate potential dangers that can cause work accidents, provide SIME Card facilities in the office, carry out PPE checks at every morning briefing, carry out environmental cleanliness in housing, etc.

#### 6.7.2

The unit of certification has emergency preparedness and response procedures which is still the same as the previous assessment which briefly describes the handling of emergencies, including:

- Accident First Aid Procedure, AMF/SOP.ESH/07, April 9, 2010.
- Emergency Response Procedure, AMF/SOP.ESH/14, April 8, 2010.
- Fire control No. 727/TQEM-ESH/10 dated 01 April 2010.
- Identification and evaluation of potential emergency 724/TQEM-ESH/10 dated 01 April 2010.
- Earthquake 746/TQEM-ESH/10 April 01, 2010.
- Evacuation 726/TQEM-ESH/10 April 01, 2010.
- Response to the explosion of 728/TQEM-ESH/10 April 01, 2010.
- Emergency drill 733/TQEM-ESH/10 April 01, 2010.
- Emergency preparedness and response and recovery 725/TQEM-ESH/10 dated 01 April 2010.

In addition, the certification unit has a Fire Extinguisher and Hydrant Lay Out at the location as well as a safe gathering point during an emergency.

#### First Aid Officer

- Unit of certification have a licensed first aid worker with 4 licensed people (Teluk Bakau Factory, Teluk Bakau Estate, Nusa Lestari Estate, and Nusa Perkasa Estate) with license No. 5/9674/AS.02.02/XI/2019, No. 5/9675/AS.02.02/XI/2019, No. 5/9669/AS.02.02/X1/2019 and No. 5/9673/AS. 02. 02/XI/2019 which was issued on November 22, 2019 and is valid until November 22, 2024. In addition, every foreman, both estate and mill, is also given first aid training.

In addition, the certification unit has a paramedics head by dr. ZAH (initial) who has a Company Hygiene and Occupational Health Certificate issued by the Minister of Manpower and Transmigration, established in March 2007. The Decree of the Director General of Labor Inspection and OHS Number 5/5156/AS.01.04/V/2022 and is valid for 3 years.

From the results of field visits at mills and plantations, there were warnings and the availability of first aid kits in the workplace in accordance with regulation. From the results of interviews with engine room operator at Teluk Bakau Factory and spraying foremen at Block E10 Division 4 at Teluk Bakau Estate, it was found that they understood first aid and the use of first aid equipment.

**6.7.3**

The unit of certification has procedures related to the control of Personal Protective Equipment (PPE) SOU 20-APD/X/2017 revision 01 published on 29 October 2017. The purpose of this procedure is to ensure that the PPE for all stages of processing in plantations, factories and others provided by the company is received, distributed, and used by workers according to its function and is properly controlled in accordance with the identification of potential hazards in the worker's work environment.

The procedures related to the control of PPE regulate the following:

- The company provides free PPE to workers according to HIRAC and refers to a reasonable lifetime.
- All workers are required to use the specified PPE. Workers who do not use it will be subject to sanctions in accordance with applicable company regulations.
- Monitoring of PPE are informed and checked periodically by morning briefing before starting work.
- The delivery of PPE is carried out when new workers come in, and they are replaced periodically.
- The warehouse unit must ensure the availability of PPE in accordance with the minimum stock of PPE 15% from total of employees.
- For used PPE, we will coordinate with the department for waste management.

Based on observations at the incinerator station and interviews with the operators in Teluk Bakau Factory, it is known that employees understand the potential hazards in their work units, PPE is given free of charge, replaced if PPE is not suitable for use and employees have worn PPE in accordance with what the company has determined including wearing safety helmet, goggles, earplug, gloves, and safety shoes. In addition, there is proof of the handover of PPE on September 20, 2023 in the form of safety shoes and helmets for all area process operator and company has spare PPE placed in warehouse.

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

The auditor made field observations at the PPE Warehouse at the Teluk Bakau Factory, knowing that the company had provided spare PPE with the availability of an adequate amount of minimum stock, for example including; ear plugs, earmuff, safety boots, face shield and visor clear lens, rubber gloves, body harness, etc. Minamas Plantation Group also has an alert system for reminding the operator to provide PPE that exceeds the minimum stock via e-mail.

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

**Sanitation Facilities**

Based on the results of the field visit in Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate, it is known that the company already has sanitation facilities (BSS) for workers with chemicals that can clean themselves as well as the equipment used and change clothes, which is also equipped with a storage area for controlling devices and PPE.

Based on interview with spraying operator in Nusa Perkasa Estate, known that they are understood the procedure for clean themselves and wear clean clothes before going home, washing PPE and working tools, as well as storing PPE in the sanitation facility.

**6.7.4**

The company has policies related to employment insurance and health insurance in the Collective Labor Agreement valid for 2023-2024 which was ratified through the Decree of the Head of Manpower Agency Indragiri Hilir Regency, with Number KPS.04/NAKERTRANS-HISK/560 on 6 February 2023. The company guarantees social protection in collaboration with BPJS. In addition, the company enrolls in the health insurance program so that workers have the benefits of health care and protection of their basic health needs. The company also provides medical center facilities as a means of first aid in accidents.

The company has realized employment protection for all of its employees, for example, there is proof of payment for the

December 2023 in TBF, TBE, NPE and NLE.

Unit TBF

- Health Assurance for January 2023 period for 109 people, payment on January 5<sup>th</sup>, 2024 with Bank Transfer.
- Social Assurance for December 2023 period for 109 people, payment on January 5<sup>th</sup>, 2024 with Bank Transfer.

Unit TBE

- Health Assurance for December 2023 period for 420 people, payment on December 6<sup>th</sup>, 2024 with Bank Transfer.
- Social Assurance for December 2023 period for 422 people, payment on December 6<sup>th</sup>, 2024 with Bank Transfer.

Unit NPE

- Health Assurance for January 2024 period for 460 people, payment on January 5<sup>th</sup>, 2024 with Bank Transfer.
- Social Assurance for December 2023 period for 459 people, payment on January 5<sup>th</sup>, 2024 with Bank Transfer.

Unit NLE

- Health Assurance for December 2023 period for 364 people, payment on December 6<sup>th</sup>, 2024 with Bank Transfer.
- Social Assurance for December 2023 period for 347 people, payment on December 6<sup>th</sup>, 2024 with Bank Transfer.

There is a difference when compared between Social Assurance with Health Assurance membership, This is because the basis for Social assurance payments uses employee data for November 2023 and the basis for health assurance payments uses employee data from the beginning of December 2023.

Based on interviews with labor union as well as workers in plantations and factories, it is known that the unit of certification has provided health insurance to workers and their families (wives and children) and employment guarantees to all workers.

Based on the foregoing, it can be concluded that the company already has a list of employees participating in the *BPJS Ketenagakerjaan* and *Kesehatan* program along with proof of payment every month.

**6.7.5**

Work accidents are recorded using the Lost Time Accident (LTA) listed in the Accident Statistic for period January-December 2023, which among others explains the number of accident cases, the number of days lost, Frequency Rate (FR) and Severity Rate (SR), among others as follows: following:

Unit	Work Hour	Case	LTI	SR	FR
Teluk Bakau Factory	259,945	2	8	8	31
Teluk Bakau Estate	866,250	13	18	21	15
Nusa Lestari Estate	746,046	1	-	1	1
Nusa Perkasa Estate	944,860	1	1	1	1

Safety performance indicators (LTIFR and SR) inv 2023 are still too high compared to the maximum figures for LTI-SR < 10 and LTI-SR < 30. So, it is necessary to take corrective steps, including:

- The effectiveness of accident investigations
- Evaluation of work accidents in *P2K3* meetings
- Carrying out ESH Assessment and monitoring follow-up
- Carrying out OHS training and socialization
- Harvesting Competency
- Accident Alert
- Supervision and intervention
- Implementation of SIME Card Program
- Implementation of the LOTO system
- Safety Town Hall Program
- PPE evaluation

- Sustainability staff, K3 experts, together with paramedics need to take a more proactive role

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

Status: Comply

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

**7.1**

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

**7.1.1**

The unit of certification has procedures related to plant pest control are contained in the Agricultural Reference Manual (ARM) document No. Policy 110/EST-ARM/13 Section 15 related Crop Protection. These procedures include explaining:

- Oryctes on oil palm tree
- Control of bag worms and needle worms
- Use of beneficial plants for natural leaf pest control
- Rat control in oil palm plantations
- Utilization of owls for rat pest control
- Control of root rot and stem end rot caused by *Ganoderma*.
- Best practice certification to minimize *Ganoderma* Inoculum in oil palm replanting.
- The use of *Arvuscular mycorrhizal fungus* for controlling root rot disease.

Based on the records of the December 2023 pest and disease census for Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate, it is known that there were identified *Oryctes rhinoceros* and *Tiratabha* are categorized as mild so that chemical control is not carried out, Likewise with *Ganoderma* disease which is still within safe limits. From the results of observing the fruit at the collecting point, there were no traces of pest bites.

In an attempt to control rat pests, *Tyto alba* is used as a natural enemy predator. In the owl census report, there is information on the realization of installing and cultivating owls in TBE, NPE, and NLE.

In addition, based on observations in Nusa Lestari Estate Block F15, Blcok G16 Division 4, *Turnera Subulata* and *Antigonon Leptopus* are growing well along the side of main canals.

**7.1.2**

Unit of certification explained that biological control of leaf eating caterpillar uses beneficial plants such as *turnera subulata*, *cassia cobanensis*, and *antigonon leptopus*. *Turnera ulmifolia* has been identified by the certification unit as an invasive species according to LHK Ministerial Regulation No.P. 94/MENLHK/SEKJEN/KUM.1/12/2016, and control measures have been carried out with regular maintenance.

Based on the results of a field visit to Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate found there are no invasive species, unit of certification only planted beneficial plants such as *Turnera* and *Antigonon* where the growth and distribution were controlled.

**7.1.3**

Based on interviews with management representatives, field workers and the surrounding community, there is no indication of the use of fire materials for pest control. From the results of field observations at Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate there were no indications of burning on the circle path sprayer. The company also does not use certain species to control pests and diseases. Pest and disease control is only carried out by barn owl, beneficial plants (such as *turnera subulata* and *antigonon*) and chemical methods.

Status: Comply

**7.2**

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

**7.2.1; 7.2.3**

Unit of certification already has SOP Block Spraying No. 3/SOP-BSS/BSS-GKE/10 dated 01 April 2010 regarding spraying activities. The stages of spraying activities include having a healthy body, prohibiting children and pregnant women from spraying work, using PPE, determining areas that can and cannot be sprayed, methods of spraying activities and storing work tools.

Apart from that, the company also has Inter Office Mail No. MRC/VP I – Sr. Mgr UPD/0452/XII/2015 dated 01 December 2015 concerning Recommendations for pests, diseases and weeds which explains, among other things:

- How to control pests, diseases and weeds without causing damage and economic losses.
- Method of application such as active ingredients, dosage and dilution along with working steps.
- Target control of weed type and location.
- Herbicides used, annual rotation, information and control methods.

Unit of certification has documented records of pesticide toxicity in the document of Monitoring Pesticide Use 2023. The document is recorded product name, active ingredients, LD50, percentage of active ingredients, total application and total active ingredients. This document is constantly recorded and updated by management officer each month. The sample of list pesticides used by the company is as follows:

No	Name	Active Ingredients	Target	LD50 (mg/Kg)		Class
				Acute Oral	Acute Dermal	
1	Meta Prima 20 WG	<i>Metil metsulfuron</i> 20 %	Broadleaf weeds: Chromolaena odorata, Ageratum conyzoides, Clidemia hirta.	>2000	>2000	U
2	Prima UP 480 AS	<i>Glyphosate isopropyl ammonium</i>	To control common weeds in oil palm cultivation	>2000	>2000	III
3	Bacillus Thuringiensis 54%	Dipel WP/ES	Tirathaba Pest Control	50-2000	50-2000	III

All of the pesticides mentioned above are selective types of pesticides to deal with weeds or pests that are targeted. In addition, all of them are not included in the World Health Organization (WHO) Class 1A or 1B list or included in the Stockholm or Rotterdam Conventions, and paraquat.

**7.2.2**

Unit of certification has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD<sub>50</sub>, the area treated, amount of active ingredients applied per Ha, and total application. This document is constantly recorded and updated by the Estate Sustainability Officer every month. For example, the use of herbicides with the active ingredient *Metil metsulfuron* 20, dermal LD<sub>50</sub> 2000 mg/Kg, oral LD<sub>50</sub> 2000 mg/Kg, total use in 2023 at Nusa Lestari Estate was 734.0 with an area of use of 11,974.6 ha and was 16.31 kg/ha.

**7.2.4**

Based on field observation in Teluk Bakau Estate, Nusa Lestari Estate, and Nusa Perkasa Estate here is no prophylactic way of using pesticides carried out by the unit of certification.

Unit of certification controls using pesticides if the pest attack census shows results above the threshold. Whereas for weed control if the conditions of the circle and harvest pathway are still quite standard, weed control will be postponed. Based on observations of spraying activities, the application method is not a preventive application but is more selective for locations that have weeds.

**7.2.5**

Based on field observations in agrochemical storage at Teluk Bakau Estate, Nusa Lestari Estate, and Nusa Perkasa Estate, also from review of documents on pesticide uses in 2022 and 2023, there was no use of pesticides included in the WHO class 1A, 1B list or included in the Stockholm or Rotterdam Conventions and paraquat.

**7.2.6**

The unit of certification can show recordings of training related to the use of pesticides which is done regularly attended by operator, foreman, and warehouse operator (mixing activity), for example are;

- Pesticide operator training on July 28, 2023 at TBE which was attended by 12 participants.
- Pesticide operator training on October 30, 2023 at NLE which was attended by 15 participants.
- Pesticide operator training on November 21, 2023 at NPE which was attended by 27 participants.

The unit of certification also evaluates the training participants regarding the understanding of the material and its application in the field. Based on the results of interviews with spray workers in E10 Division 4 Teluk Bakau Estate it is known that workers have received PPE that complies with the MSDS of pesticides used in the form of rubber gloves, aprons, boots and respirator masks. The worker also explained that if there is damage to the PPE, the worker will get a replacement for the damaged one by bringing the damaged PPE as evidence.

**7.2.7**

Unit of certification has an environmental protection policy, including regarding the use of pesticides, storage and management. Environmental protection policies are prepared by the Minamas Plantation Environmental Protection Policy Committee No. KPL/04/2003. The results of contamination of the environment can harm animals and humans.

Based on field observations to the company's pesticide storage warehouse (Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate), it is known that the storage of pesticides has been carried out according to existing procedures such as material safety data sheet, separate locations from other items and the floor is concrete so it is minimized pollute the environment if there is a spill. Besides that, there is a symbol of toxic hazardous.

Companies can show evidence that pesticide mitigation policies/procedures have been socialized to related workers. For example, based on interviews with storage operator in Teluk Bakau Estate, it is known that these personnel can explain pesticide mitigation policies/procedures.

**7.2.8**

PT Bhumireksa Nusasejati has SOP for handling Hazardous and Toxic Materials with Number 7306/AIP-ESH/10 on August 2, 2010. It describes the procedures for managing and storing chemicals, using chemicals, transferring, leaking or spilling chemicals, vessels or tanks exposed products, expired products, first aid, and training programs. The procedure explains that all used and empty pesticide packaging must be controlled and managed properly. It cannot be used for employee needs, such as for water containers, food containers, and others. Used pesticide packages that are not reused must be immediately perforated at the bottom and sent to the Hazardous and Toxic Waste Warehouse.

Based on the field observation results to housing and landfill in Division 3 Teluk Bakau Estate, it was found that there was no pesticide containers or packaging discarded to landfills. Besides that, there was no reuse of pesticide containers as flower pots nor as water storage.

Based on the observation result to the temporary storage for hazardous and toxic waste in Teluk Bakau Estate, the pesticide wastes are stored there. Then, it is transported by the licensed hazardous and toxic waste transporter. Afterwards, it is handed over to a licensed hazardous and toxic waste collector. It can also be concluded that the storage is well managed, oil traps are available, adequate airways so there is no potential for pesticide exposure to leave the warehouse.

**7.2.9**

Based on the results of a document review and interview with spraying workers, it is known that the company does not apply the application of air spraying.

**7.2.10**

Unit of certification has conducted a special medical examination (liver function; bilirubin) carried out annually, covering the quantities examined by pesticide handlers, including operators, foremen and warehouse workers (mixing activity)

- Teluk Bakau Factory: 110 workers
- Teluk Bakau Estate: 304 workers
- Nusa Perkasa Estate: 196 workers
- Nusa Lestari Estate: 246 workers

The results of the examination showed that there were no employees with health problems. For spraying carried out including physical examination, spirometry, blood, and urine.

**7.2.11**

Based on the document list of workers review and results of interviews with management, known that there was no worker age under 18 years old that worked in chemical activity and there are no female workers who were pregnant and/or breastfeeding, or with medical limitations are handling pesticides.

The certification unit has a job desk substitute policy if the sprayer is identified as pregnant, breastfeeding woman, or with medical limitations in accordance with recommendations of physician.

**Status: Comply**

**7.3**

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

**7.3.1**

PT Bhumireksa Nusasejati has identified the waste and its sources of pollution. The company also prepared waste and pollution management plan in 2023. The waste is managed in accordance with waste management procedure and government regulation. The waste identification and management plan are stipulated in document of Waste Source Identification and Management, namely the Waste and Pollution from Mill and Estates.

**Sources of emissions include:**

- CO<sub>2</sub>: Transportation of FFB, CPO Shipping, Operation of machine, operation of generator & electric pumps, boilers, laboratory activities, WWTP and mill processes.
- NO<sub>2</sub> & SO<sub>2</sub>: Activities in the laboratory.
- CH<sub>4</sub>: Fertilizing activities and WWTP.

**Solid Waste (Fiber, Shell and EFB)**

The company utilizes fiber and shells as boiler fuel, while EFB is utilized for additional material for road maintenance. Further explanation in indicator 7.9.1.

**POME**

The waste treatment process in the factory with the WWTP pond system. Before POME is discharged to water point, it is treated in the WWTP pond until it reaches the quality standards for the discharged. The company has permit to dispose POME to the water point based on Decree of DPMPSTSP Indragiri Hilir District no 503/DPMPSTSP-IPAL/02 for Teluk Bakau Factory, ratified on November 9, 2018. The permit is still valid as long as there is no change in POME discharged.

**Hazardous and Toxic Waste**

PT Bhumireksa Nusasejati in the assessment scope for Teluk Bakau Factory has these permit for Temporary Storage for Hazardous and Toxic Waste in these locations:

- Teluk Bakau Factory: DPMPSTSP Decree Indragiri Hilir District Number 503/DPMPSTSP-IPL.B3/ XII/2019/16 on December 20, 2019 and is valid for 5 years. The permit refers to the Recommendation Letter from the Environmental Service number 660.3/DLHK-PPKL/Rek/XII/20 on April 10, 2019.

- The permit for 5 estates in PT Bhumireksa Nusasejati (Mandah Estate, Rotan Semelur Estate, Teluk Bakau Estate, Nusa Perkasa Estate, and Nusa Lestari Estate): DPMPSTSP Decree of Indragiri Hilir District Number 503/DPMPSTSP-IPSL.B3/2 on March 15, 2018. It is still valid until the company has some changing in its operational activities. The company has the updated Technical Details for hazardous and toxic waste including the medical waste.

The company has MoU for hazardous dan toxic waste transporting with PT Primanru Jaya. The last hazardous and toxic waste transporting was on October 5, 2023 for example from Nusa Lestari Estate, namely:

- Manifest number KLHK- 1704088309 is used oil 0.315 ton.
- Manifest number KLHK- 1704086166 is used pesticide packaging 1.521 ton.
- Manifest number KLHK- 1704087994 is used filter 0.074 ton.
- Manifest number KLHK- 1704087853 is used battery 0.3228 ton.
- Manifest number KLHK- 1705950569 is medical waste 0.0262 ton.

Based on the explanation, it can be concluded that the PT Bhumireksa Nusasejati has the documentation and implementation for waste management plan which includes reduction, recycling, and disposal based on the waste character.

### 7.3.2

The company has SOP documents related to waste disposal management in SOP for Handling Domestic Waste with No. 012/SOU/IV/2014 on April 4, 2014. It explains the management of domestic waste, namely:

- Domestic waste is collected in provided bins in housing and offices area.
- If the landfill is full, it will be buried and the new landfill will be made.
- Garbage is only disposed of in the bins.

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

- Document of hazardous and toxic waste source identification results 2023. It provides information regarding the sources of hazardous and toxic waste that have been identified in mill and estates by the company.
- Balance Sheet and Logbook for storing hazardous and toxic waste.
- OHS Monitoring Document 2023 which informs the condition and availability of emergency response facilities in storage areas, such as first aid kits, eye wash and shower, fire extinguishers, spill kits, and alarms. The monitoring results show that all equipment is in good condition and in accordance with SOP.

The company has informed the workers, managers, and the housing residents on proper waste disposal. It is reminded in the morning briefing and also written in the signboards in several strategic locations, such as in front of the division office and the housing.

The observation and interview with housing residents in Division 3 Teluk Bakau Estate, shown they have proper domestic waste management with separated trash bin for organic waste and anorganic waste. The waste is scheduled to be collected to landfill twice a week. The observation to landfill in Division 3 Teluk Bakau Estate, shown the landfills are located more than 1 km from housing and nowhere near the water course. It is also properly managed.

Regarding NC from previous audit, currently there is no more findings related to the unmanaged waste in the housing and landfill area.

Based on the explanation, it can be confirmed that the workers and manager understand the waste management plan in the company. The company has management plan for waste management and it has implemented in accordance with SOP and relevant regulation.

### 7.3.3

PT Bhumireksa Nusasejati does not burn their waste for waste disposal. The observation to landfill area and interview with employee and housing residents in Division 3 Teluk Bakau Estate are supporting that fact. Waste is categorized into organic and non-organic. Each type of waste is treated differently as regulated in the company procedure SOP for Handling Domestic Waste with No. 012/SOU/IV/2014 on April 4, 2014.

The observation and interview with housing resident in Division 3 Teluk Bakau Estate, shown they have proper domestic waste management with separated trash bin for organic waste and anorganic waste. The waste is scheduled to be collected to landfill twice a week, then buried when the landfill is full. The observation to landfill in Division 3 Teluk Bakau Estate, shown the landfills are located more than 1 km from housing and nowhere near the water course. It is also properly managed.

During the observation there is no burning marks for waste disposal. Therefore, the requirement in this indicator is complied.

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**

Unit of certification has a Procedures related to fertilization activities are contained in the Agricultural Reference Manual (ARM) with document number No. Doc. 110/EST-ARM/13dated March 03, 2020. This SOP explains that Section 8 concerning Fertilizing Oil Palm Plants which includes technical fertilization of TBM and TM fertilization, fertilizer placement and fertilization application. As a basis for fertilization recommendations, analysis of leaf tissue is carried out every year and analysis of soil tissue through semi-detailed soil and land suitability surveys is carried out every 5 years. SOP implementation is monitored regularly by operational audits or Plantation Advisors. In addition, the implementation of fertilization is supervised by the foreman, assistant and re-evaluated by the manager.

Unit of certification also shown the program and the realization of fertilization application for period January until December 2023 which refers to the recommendation for fertilization in 2022. The recommendation for fertilization is based on the results of the leaf analysis and soil analysis from the previous year. Therefore, based on document review and interview with the management, the realization of fertilization in unit of certification is in accordance to the program.

Based on interview with the workers is known fertilization is done manually, workers also can explain the procedure well, which is in accordance with the dosage determined based on the recommendations.

**7.4.2**

To find out the soil fertility, the company conducting of soil and leaf analysis periodically as follows:

**Soil Analysis Activities**

Soil Analysis for PT Bhumireksa Nusasejati contained in the semi-detailed soil survey report and land suitability for the period 2018 – 2023 issued by Minamas Research Centre. The parameters analyzed included depth, pH, organic C, total N, total P, etc.

**Leaf Analysis Activities**

- 2023 TBE Leaf Analysis published by Minamas Research Center for a number of 23 samples. The parameters analyzed include ash, N, P, K, Mg, Ca, and Fe.
- 2023 NLE Leaf Analysis published by Minamas Research Center for a total of 21 samples. The parameters analyzed include ash, N, P, K, Mg, Ca, and Fe.
- 2023 NPE Leaf Analysis published by Minamas Research Center for a total of 31 samples. The parameters analyzed include ash, N, P, K, Mg, Ca, and Fe.

**Visual Analysis Activities**

Visual observations performed every year at the time of leaf analysis activities. Visual observation is a consideration in determining the fertilizer recommendations, deficiency of nutrients and analyze the potential of disease which is likely to become endemic of a particular disease.

Result of soil and leaf analysis results published recommendation on fertilizer doses to produce an optimal production of palm fruit. Principles of fertilization are giving treatment on the ground to produce the nutrients required by palm and generating optimal results.

**7.4.3**

Based on the 2011 Peat Depth Survey Report, it was explained that the organic material content in the PT Bhumireksa Nusasejati area was very high. Therefore, the company does not carry out EFB or POME application activities. The resulting EFB is burned in burning stove, then the remaining ash is taken from the combustion and used as a mixture for planting media in nurseries. Meanwhile, the resulting POME is disposed of into water bodies after going through several processes so that it is suitable in accordance with applicable laws and regulations.

**7.4.4**

Based on the results of PT Bhumireksa Nusasejati's soil analysis assessment, it was concluded that the nutrient content, especially alkaline cations, was less than balanced. The nutrients Na and Ca are generally low at depths of 0 - 30 cm and 30 - 60 cm. These low nutrients are due to the cation exchange capacity value being also low, while the nutrients K and Mg are relatively high. Thus, the soil fertility status at PT Bhumireksa Nusasejati can be said to be moderate.

The leaf and soil analysis carried out by the company is the basis for determining fertilizer recommendations at PT Bhumireksa Nusasejati. Based on the results of the document review, unit of certification regularly records the activities (Period 2023), for example are:

Fertilizer Type	Rekomendasi		Realisasi	
	Kg	Area (Ha)	Kg	Area (Ha)
<b>Teluk Bakau Estate</b>				
CCM 65	1,353,993	4,291	1,252,042	3,877
MOP	927,291	2,010	927,291	2,010
Zincop	53,129	2,010	53,131	2,010
<b>Nusa Perkasa Estate</b>				
CCM 65	2,366,021	3,722	2,168,934	3,412
MOP	1,566,069	3,722	1,546,073	3,674
Zincop	95,276	3,722	94,969	3,710
<b>Nusa Lestari Estate</b>				
CCM 65	2,476,899	2,992	2,324,287	2,992
MOP	1,332,454	2,992	1,813,681	2,992
Zincop	79,209	2,992	45,221	1,762

The result from the field visit indicated that such activity has been correctly done in accordance with the provided recommendation by MRC Team. Based on the results of field visits, there are no signs of nutrient deficiencies blocks that have been visited.

**Status: Comply**

**7.5**

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

**7.5.1; 7.5.2; 7.5.3**

Land suitability maps for oil palm cultivation are included in Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Report period 2018-2023, which explains;

**Nusa Lestari Estate**

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the land type of Nusa Lestari Estate Typic Haplohemist covering an area of 3,183.04 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Nusa Lestari Estate 0-4% Level (Flat) covering an area of 3,183.04 Ha (100%).

**Nusa Perkasa Estate**

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the soil type of Nusa Perkasa Estate Typic Haplohemist covering an area of 3,779.10 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Nusa Perkasa Estate 0-4% Level (Flat) covering an area of 3,779.10 Ha (100%).

**Teluk Bakau Estate**

- The 2017 Semi Detailed Soil Map with a scale of 1:60,000 describes the soil type of Teluk Bakau Estate Typic Haplohemist covering an area of 3,461.14 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Teluk Bakau Estate 0-4% Level (Flat) covering an area of 3,461.014 Ha (100%)

The Document of Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Period 2018-2023 informs that PT Bumirheksa Nusasejati has a flat topography with a slope of 0 – 4%. Elevation ranges from 1 to 447 meters above sea level (3 to 1,467 feet), namely in MDE 4,109.49 Ha and RSE 3.654,16 Ha. Based on observations in Teluk Bakau Estate with year planted 2021 there is no replanting area with steep slopes. Based on interviews with management, the unit of certification is not expanding or opening new land, nor is there any replanting plan until 2028.

**Status: Comply**

**7.6**

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

**7.6.1; 7.6.2**

Land suitability maps for oil palm cultivation are included in Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Report period 2018-2023, which explains;

**Nusa Lestari Estate**

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the land type of Nusa Lestari Estate Typic Haplohemist covering an area of 3,183.04 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Nusa Lestari Estate 0-4% Level (Flat) covering an area of 3,183.04 Ha (100%).

**Nusa Perkasa Estate**

- The 2018 Semi Detailed Land Map with a scale of 1:60,000 describes the soil type of Nusa Perkasa Estate Typic Haplohemist covering an area of 3,779.10 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Nusa Perkasa Estate 0-4% Level (Flat) covering an area of 3,779.10 Ha (100%).

**Teluk Bakau Estate**

- The 2017 Semi Detailed Soil Map with a scale of 1:60,000 describes the soil type of Teluk Bakau Estate Typic Haplohemist covering an area of 3,461.14 Ha (100%).
- The 2018 Land Slope Class Map with a scale of 1:60,000 describes the land slope class of Teluk Bakau Estate 0-4% Level (Flat) covering an area of 3,461,014 Ha (100%)

The Document of Semi Detailed Soil Survey and Land Suitability for Oil Palm Plantation Period 2018-2023 informs that PT Bumirheksa Nusasejati has a flat topography with a slope of 0 – 4%. Elevation ranges from 1 to 447 meters above sea level (3 to 1,467 feet). Based on observations in Teluk Bakau Estate with year planted 2021 there is no replanting area with steep slopes. Based on interviews with management, the unit of certification is not expanding or opening new land, nor is there any replanting plan until 2028.

**7.6.3**

In line with indicators 7.6.1 and 7.6.2 and there has been no change until the recertification audit held that PT Bhumireksa Nusasejati, units Teluk Bakau Estate, Nusa Lestari Estate, Nusa Perkasa Estate have *Typic Haplohemist* soil types, also have slopes between 0 – 4%. Besides that, unit of certification has not carried out expanding nor new plantings and is currently in the process of replanting since 2013. Based on field observations that the company does not build new drainage and infrastructure.

**Status: Comply**

7.7

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

7.7.1

Based on document review, field observation, and interviews with Teluk Bakau Estate, Nusa Lestari Estate, Nusa Perkasa Estate Managers that PT Bhumireksa Nusasejati has no new plantings after November 15 2018. The results of document reviews and interviews with company representatives also revealed that they were only carry out the replanting process and there were no new plantings. This has been discussed in indicator 7.6.

7.7.2

Unit of certification can show inventory documents for peat areas within the managed areas which were submitted to the RSPO Secretariat via email on November 09, 2023 and responded to by the RSPO Secretariat ([ghg@rspo.org](mailto:ghg@rspo.org)) on November 20, 2023 which explained detailed area statements in peat areas based on RSPO Peat Inventory Template guidelines for all Sime Darby group operational areas, including PT Bhumireksa Nusasejati (Mandah Estate & Rotan Semelur Estate). The data submitted includes the following:

<b>Company Name</b>	<b>Sime Darby Plantation Berhad</b>
<b>Membership Number</b>	<b>1-0008-04-000-00</b>
<b>Reporting Year</b>	<b>2023</b>

Estates	Total Planted area (Ha)	Summary of estates containing peat (Ha)			
		Planted	Unplanted		
			Conservation*	Rehabilitation	Other
Teluk Bakau Estate	3,453.19	3,453.19	94.12	0	477.76
Nusa Perkasa Estate	3,769.04	3,769.04	516.3	0	1,550.66
Nusa Lestari Estate	3,169.74	3,169.74	76.13	0	210.87

*\*) Until the recertification assessment held, the conservation area is not included in the scope of certification, because it is outside the HGU area which is currently being revised.*

On December 2023, PT BNS carry out an areal statement updated by the MRC (Minamas Research Center) taking into consideration changes in land use, such as: replanting, creation of a new canals and buffer blocks and has not been reported to RSPO. This change explains that the planted area for TBE will be 3336.94 ha, NPE will be 3726.7, and NLE will be 2991.8 ha, without changing the total area identified peat.

7.7.3

Unit of certification has a policy for managing peat subsidence through water management programs at MDE and RSE. Observation of Peat Surface Subsidence through subsidence stakes is carried out every 6 months. Water level measurements in the TBE, NPE, and NLE canals are carried out every day, while piezometer measurements are carried out once a week.

Estate	Field	Coordinate Point		Decrease (cm)	
		E	N	SM-1 2023	SM-2 2023
TBE	E001	103.584701	0.213861	0.8	0.5
TBE	D007	103.608427	0.188072	0.7	0.4
TBE	E009	103.591787	0.179975	0.8	0.5
TBE	E006	103.581897	0.192534	1.0	0.6
NLE	F015	103.559333	0.154711	0.8	1.1
NLE	F006	103.557014	0.195156	0.9	0.9
NLE	G010	103.534073	0.174457	0.8	1.0

NLE	G013	103.523883	0.159387	1.0	0.8
NLE	G016	103.529990	0.146883	1.0	0.9
NPE	D011	103.627714	0.109084	1.0	0.4
NPE	E001	103.598477	0.153787	0.5	0.6
NPE	D007	103.607769	0.127453	0.6	0.5
NPE	E006	103.589505	0.127129	0.5	0.6
NPE	C002	103.629470	0.149618	0.6	0.5

*Based on sources from the BDPKS-IPB Research Team (2020) Average peat soil subsidence per year is 2.47 cm ± 0.773 cm*

The results of field observations for example the Subsidence Poles Block G16 Division 4 NLE and Block E6 Division 2 TBE is known that the condition of the stake is in a well-maintained condition.

#### 7.7.4

Unit of certification make an effort of water management activities, such as:

- Creation of water canals to regulate water availability and transportation facilities. Unit of certification does not have an inlet channel connected to the river. Thus, the availability of pure water is supplied from rainfall. Meanwhile, excess water is discharged through water gate (outlet) in Teluk Bakau Estate.
- Install of piezometers. Piezometers are monitored by appointed officers in each division/estate routinely every day. The water level is maintained between 50 – 70 cm below the ground surface.
- Construction of dams and sluice gates.
- Mechanical maintenance and washing of trenches. Carried out routinely once a year using heavy equipment (excavator). Especially for aquatic plants that interfere with the flow of transportation facilities, the company has a manual canal maintenance team that works every day to maintain the canals to make transportation easier.

In an effort to increase workers' awareness regarding peatland management, the company also provides outreach to workers regarding the existence of subsidence stakes, water levels and rainfall equipment to anticipate damage to these tools.

#### 7.7.5

Unit of certification shows an Inter-Office Letter from the Head of the Minamas Research Center regarding the PT Bhumireksa Nusasejati Peatland Drainage Study Report No. MRC/Head-MRC/Mgr-Est/0103/V/2020 dated 28 May 2020. Document on Peatland Drainage Study of PT Bhumireksa Nusasejati, Indragiri Hilir Regency, Riau Province prepared by the Minamas Siak Agronomy Research Centre, in May 2020. This is in accordance with the RSPO Drainability Assessment Procedure version 1.1, 30 November 2019. The report contains the following technical conclusions from the results of peat soil testing, including:

- To maintain the position of the water at an optimal height, the water gate needs to be lowered ± 40-50 m.
- From observational data on the rate of subsidence at PT Bhumireksa Nusasejati conducted at 10 subsidence points with an average of 1.1 cm/year, it can be concluded that the groundwater table at PT Bhumireksa Nusasejati is generally at an optimum level for oil palm plantations.
- Fields B035, C034 and C035 have the fastest flow time limits, namely around 93 years, 101 years and 101 years.
- Based on the calculation of the threshold for 2x planting cycles, the study location has not reached the threshold, so that replanting activities can be carried out with due regard to water management.

Unit of certification also shown a recording of an email communication with RSPO, which shows RSPO approval regarding the implementation of replanting at PT BNS on 11 January 2021. Based on interview and document review, known that PT BNS does not have a replanting plan for the next 5 years.

#### 7.7.6

Unit of certification has not planted new oil palms and since 2013 until now has replanted oil palms. Unit certification does not carry out infrastructure development and opening drainage in conservation areas. Also has a conservation area in NPE covering an area of 10.68 ha. Apart from that, does not applying fertilizer or chemicals at a distance of 50-meters on either side along the river border.

The company has a water management program, including maintaining groundwater levels and monitoring the decrease in peat soil levels. Land surface subsidence benchmarks are observed and measured every 6 months, piezometer measurements once a week and water level measurements every day. Refers to the Minutes of the Meeting of the Peat Ecosystem Recovery Plan Document Assessment Team, Determination of Manual Groundwater Level Monitoring Points, Installation Points of Automatic TMAT Measuring Devices (loggers) and rainfall monitoring point number BA-01/PEG/PKG/2/2019 dated February 7 2019 totaling 95 compliance points and 6 loggers. The results of field observations show that the piezometer in Block E6 Division 2 TBE and in Block F15, G16 Division 4 NLE is well maintained.

As informed on semi detail soil survey report period 2018-2023, based on the results of calculating the 2x planting cycle threshold, the study location has not yet reached the threshold so that replanting activities can be carried out while still paying attention to water management.

**7.7.7**

The results of a review of basic info documents and consistent with pervious assessment, unit of certification has a conservation area in NPE covering an area of 10.68 ha, the soil type is *Typic Haplohemist* and have a slope of between 0 – 4%. In addition, the unit of certification has not cleared new land and is in the process of replanting since 2013. Based on field observations, the company has managed its operational areas well, including maintaining conservation areas, selective weed control, and reducing the use of materials. pesticides and optimizing biological pest control, monitoring the water level and the level of subsidence of peat soil on a regular basis.

**Status: Comply**

**7.8**

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

**7.8.1**

Based on the UKL-UPL 2008 document, HCV assessment result 2009, and the map of river flow and water sources, it can be concluded that there is no water course in PT Bhumireksa Nusasejati operational area. However, the company has several artificial canals. In the UKL UPL, it is stated that the company conducts water testing quality for the upstream and downstream of the canals and the drilled wells every semester. It was conducted by a KAN accredited laboratory (LP-547-IDN). The result for the second semester in 2023, for example in the sampling point Kateman River Outlet Downstream as follows:

Parameter	Standard	Result
Temperature	deviation 3	25
TDS	1,000	4.45
pH	6-9	6.5
DO	min 4	6.4

The surface water testing quality standards refer to PP 22 2021 Class II. Based on the testing result, there is no parameter above the standard/threshold. The results have been reported to Environment and Sanitation Agency Indragiri Hilir District.

The implementation of water quality improvements that have been carried out by PT Bhumireksa Nusasejati include:

- To conduct socialization to all employees and the surrounding community regarding canals management.
- To maintain a hygienic environment around the drilled wells.
- To report the water quality testing results to Environment and Sanitation Agency Indragiri Hilir District every semester (in RKL RPL report).
- POME management using WWTP as well as monitoring the quality of POME before discharge to the water point.
- Monitoring the use of water for palm oil processing and evaluating the utilization.

The observation and interview result with employee, for example in the Housing Division 3 Teluk Bakau Estate, can confirm that drinking water for the employee and housing residents are provided by PT Bhumireksa Nusasejati. They can have free drinking water, which was utilizing the Reverse Osmosis technology. The company also provides clean water access for daily needs in each housing from the drilled wells.

### 7.8.2

PT Bhumireksa Nusasejati has a map identifying water courses and wetlands with scale 1:115,000. Based on the map, there is no river, lake or springs in the company area. All water bodies within the company area are man-made canals with closed access. In addition, the company showed a topographical map which displayed that the slope ranged from 0 – 3% (0° – 2°). Based on the document reviews and interviews results, as well as verification via satellite imagery, it confirms all water flows in the company area are only artificial canals.

However, the company has water courses management, such as periodically monitoring canal conditions from potential pollution, testing surface water quality standards to ensure water quality is still within normal limits every semester, and marking the boundaries of chemical application areas.

The management procedure for water courses is stated these following documents:

- SOP No. 724/TQEM-SPMS/09 on March 25, 2009 regarding Guidelines for Sustainable Plantation Management. It includes protection of river banks (large rivers: 100 m and small rivers 50 m).
- SOP Number 01/BNS/III/09 on March 25, 2009 regarding Water Management. The SOP document contains guidelines for managing spillways, dams, measuring water levels in all types of canals, managing floodgates, rainfall, and conservation.

The company also has memorandum to prohibit spraying or applying chemical near to canals based on the memo number 001/PTBNS/II/2019. The instructions from senior manager, as follows:

- no chemical application near canals, for main canals, collector canals, and branch canals less than 5 meters
- to make sure no pesticide container's cleaning and PPE for spraying cleaning in main canals, collector canals, and branch canals
- manual upkeep near to canals area.

Based on the RSPO Manual on Best Management Practices (BMPs) for the Management and Rehabilitation of Riparian Reserves (April 2017) in the additional consideration stated "Small streams (<1m wide) and **artificial drainage channels do not require riparian reserves** under most national and/or RSPO guidelines. However, pollutants entering small waterways **could have major impacts on water quality in larger rivers. RSPO strongly recommends** that oil palm plantation managers **minimise, or ideally eliminate** altogether, **the application of fertilisers and pesticides within 10m** of small and/or **artificial watercourses**, besides maintaining full riparian reserves along the larger natural waterways. Maintaining good vegetation cover along the banks of small waterways is particularly important during land clearance and planting/replanting of oil palms when large areas of bare soil were often washed into waterways."

Based on the interview result with spraying team in Block 003 Division 1 Nusa Perkasa Estate, they have comprehensive understanding on the canals management. They have participated in the socialization regarding no chemical spraying near the canals. However, based on the observation to the main canals in Block D010 Division 3 Nusa Perkasa Estate, it was found the remaining of chemical application. Based on the explanation, it can be concluded that the company has not completely implemented the water course (especially canals which flows to Dendan River) management based on the RSPO guidelines and the company's memorandum. **Therefore, raised the nonconformance number NC 2024.02 with major category.**

### 7.8.3

PT Bhumireksa Nusasejati has the POME quality testing document from January 2023 to December 2023. All POME testing parameters are compliant to the standards quality. POME testing result in WWTP Teluk Bakau Factory in November 2023, such as BOD is 96 mg/l with threshold 5,000 mg/l and pH is 8.2 with threshold 6-9. All of POME management and monitoring has been reported to Environmental and Sanitation Agency Indragiri Hilir District, it is included in the RKL and RPL report. The POME quality testing still complies with PermenLH number 5 2014.

PT Bhumireksa Nusasejati has permit for Teluk Bakau Factory to dispose POME to the water point based on Decree of DPMPSTSP Indragiri Hilir District no 503/DPMPSTSP-IPAL/02, ratified on March 15, 2018, this permit is still valid as long as there is no change in POME discharged method.

WWTP in Teluk Bakau Factory consist of 12 waste ponds with single-feeding ponds. POME is processed in order to reduce pollutant elements before it disposed into water points.

Based on the observation to WWTP Teluk Bakau Factory, it is confirmed that there is no pollution to the environment such as leaks or flooding. Therefore, the disposal of POME to water point does not cause a significant negative impact to surrounding environment. Based on the interviews with WWTP officers, it is stated that every POME that flows into the water point is always recorded. The flowmeter used is functioning properly and there has never been a leak or flood in the WWTP.

**7.8.4**

PT Bhumireksa Nusasejati Teluk Bakau Factory has a surfacewater utilization permit based on the DPMPSTP Indragiri Hilir District on December 6, 2022 by OSS System. The water source is taken from the upstream of the company's canal namely Guntung Kateman River in Rotan Semelur Village, Pelangiran, Indargiri Hillir, Riau Province. Based on the permit, the company can utilize water for 1,782 m<sup>3</sup>/ day with production process for 15 hours per day. The permit also stated the company's obligation, among others, such as:

- To pay for the water utilization in accordance with the provisions of laws and regulations
- To protect and maintain the continuity of the function of water sources
- To protect and secure water resources infrastructure

The procedure of water usage monitoring in Teluk Bakau Factory is available in the document Procedure of Water Treatment Plant. Water consumption monitored by using flowmeters installed in the WTP piping system. Based on the document review, the company has shown the document of water usage in Januari - December 2023. It can be concluded that the water used average for processing in mill in January - December 2023 is 14,312 m<sup>3</sup>/month or equal to 0.75 m<sup>3</sup>/ton FFB with total FFB processed 9,857.478 ton FFB. Data shown by the company indicates that the company utilizes water in accordance with the quota specified in the permit and budget determined by the company itself. The company also has the retributions payment for water usage to the Regional Revenue Agency Riau Province in Januari – December 2023. The payment was conducted monthly.

Based on the observations to the Water Treatment Plant and Water Intake in Teluk Bakau Factory, it can be concluded that flowmeters are functioning properly. The interview results with the WTP operator also state that he has comprehensive understanding on the WTP process.

<b>7.8.2</b>	<b>Status: Non-conformance NC.2024.02 with major category</b>
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**7.9**  
**Efficiency of fossil fuel use and the use of renewable energy is optimized.**

**7.9.1**  
The company utilizes shells and fiber as boiler fuel to generate turbine power. It reduces the use of fossil fuels and optimizes the renewable energy. The confirmation record shown as follow:

Description (January – December 2023)	Unit	Total
FFB Process	Ton	133,480.59
Shell utilization	Ton	7,352.00
Fiber utilization	Ton	14,682.87
Total energy from turbine	kWh	3,319,821.00

Based on the data shown it can be concluded that the shell efficiency in January to December 2023 is 0,05 per ton FFB and fiber efficiency is 0,11 per ton FFB.

The company also has an energy efficiency program that explains, among others, to have routine machines maintenances and conduct treatment for POME before discharge to the water points.

Based on this explanation, the company has increased the efficiency of using fossil fuels and optimizing the use of renewable energy.

	<b>Status: Comply</b>
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**7.10**

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

**7.10.1**

The company has GHG inventory for PT Bhumireksa Nusasejati Teluk Bakau Factory January 2022 – December 2022. Significant GHG emissions sources has been identified. Therefore, the mitigation plan is developed by the company, both for mill and estate. Significant GHG emissions include land use change, POME processing, use of fertilizers and pesticides, fossil fuels for operations and transportation utilization.

The mitigation plan such as the right dose for fertilizer utilization as recommended, saving electricity use, periodic air quality tests, transportation and machine maintenance. The company has reported the result of GHG calculation on the RSPO website. It can be publicly viewed.

Reduction of fossil fuels in Mandah Teluk Bakau Factory has been implemented by using fiber and shells for boiler fuel substitution. The company monitors POME test results monthly. The document review confirmed that all wastewater testing parameters have complied the quality standards.

Based on the documents review result for pesticide usage monitoring, diesel fuel monitoring, HCV identification, it can be concluded that data input to GHG RSPO website is accurate. GHG calculation using palm GHG Calculator 4.0. These following data can confirm the identification of GHG produced by Teluk Bakau Factory and its supply bases.

Association	No. of Estates/Plantations	FFB Processed (t)	Planted Area (ha)
Own Plantation	3	121,419	10,055.44
Group Plantation	1	1,352.00	4,006.94
3rd Party	1.00	10,710.00	0.00
<b>Total</b>	<b>5.00</b>	<b>133,481.00</b>	<b>14,062.38</b>

**Summary Emission**

Product	tCO <sub>2</sub> e / tProduct
CPO	19.04
PK	19.04
PKO	0.00
PKE	0.00

Description	Unit	Value
Oil palm planted on mineral soil	Ha	0.00
Oil palm planted area on peat	Ha	14062.38
Total oil palm planted area	Ha	14062.38
Conservation area (Forested)	Ha	10.69
Conservation area (Non-Forested)	Ha	0.00
FFB Production per hectare	t/ha	11.93
OER	%	22.72
KER	%	4.29

**Mill Emissions and Credits**

Description	tCO <sub>2</sub>	tCO <sub>2</sub> e/t FFB
Emission Sources		
POME	26164.54	0.20
Fuel Consumption	1006.34	0.01

Grid Electricity Utilisation Credits	0.00	0.00
Export of Excess Electricity to Housing & Grid	0.00	0.00
Sale of PKS	0.00	0.00
Sale of EFB	0.00	0.00
<b>Total</b>	<b>27170.88</b>	<b>0.20</b>

Description	Own	Group	3rd Party	tCO2e/t FFB	Total
	tCO2e/ha	tCO2e/ha	tCO2e/ha		
<b>Emission Source</b>					
Land Conversion	10.25	0.39	0.00	0.00	104645.82
CO2 Emissions from Fertiliser	0.93	0.04	0.00	0.00	9502.37
N2O Emissions from Peat	7.42	0.29	0.00	0.00	75769.94
N2O Emissions from Fertiliser	0.68	0.03	0.00	0.00	6965.66
Fuel Consumption	0.33	0.01	0.00	0.00	3319.12
Peat Oxidation	54.11	2.14	0.00	0.00	552654.47
<b>Sinks</b>					
Crop Sequestration	-9.28	-0.36	0.00	0.00	-94724.32
Sequestration in Conservation Area	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>64.44</b>	<b>2.54</b>	<b>0.00</b>	<b>0.00</b>	<b>659439.68</b>

Based on the GHG calculator data, the value of CPO and PK has decreased from ASA 1.4. In 2022 the value was 23.07 tCOe2/tProduct, while in 2023 the value was 19.04 tCOe2 /tProduct. However, there is no significant changing in the company's GHG emission program.

### 7.10.2

There has been no land clearing since 2014. The company has identified the emission sources and conducted some programs to mitigate the GHG emission. It stated the emission sources, location, emission calculation (t CO2 eq/th), programs, target and actual implementation. The programs include:

- Fossil fuel efficiency by utilizing shell and fiber as boiler fuel.
- Monitoring pH in WWTP.
- Conduct the generator testing.
- Routine machine maintenance.

The utilization of shell and fiber for fossil fuel substitution detail is presented in indicator 7.9.1 as well.

### 7.10.3

PT Bhumireksa Nusasejati has identified pollutions and emissions sources in Teluk Bakau Factory in 2023. For instance, CO<sub>2</sub> (boiler, generator, transportation), CH<sub>4</sub> (POME), hazardous waste (WWTP and chemical storage), and noise (machines). The sources of pollution and emissions from Nusa Perkasa Estate, Nusa Lestari Estate, and Teluk Bakau Estate are listed on the identification documents and management plans for pollution sources in 2023, such as emissions (CO<sub>2</sub> and CO), noise, chemical waste, organic and inorganic waste, and infectious waste.

Plans to mitigate and reduce GHG emission have been implemented and monitored as explained in RKL-RPL second semester 2023. Based on the RKL RPL review, there is no parameter with testing result above the threshold or regulation. Fossil fuel reduction in Teluk Bakau Factory has been implemented by fiber and shell utilization for the boiler. Based on the explanation, it can be concluded that PT Bhumireksa Nusasejati has identified and implemented the plans to reduce and minimize the significant pollutants.

	<b>Status: Comply</b>	
<b>7.11 Fire is not used for preparing land and is prevented in the managed area.</b>		
<b>7.11.1</b>		
<p>Based on the results of the document review and interviews with the company's management, it is known that the company has a policy stated in the procedure document regarding land clearing without burning, such as;</p> <ul style="list-style-type: none"> <li>• SOP No. SPO/B.5.2/BNS dated 01 May 2013 concerning prevention and management of land fires</li> <li>• SOP No. 01/BNS-PPAPAR/III/16 dated 01 March 2016 concerning management and monitoring of emergency response facilities.</li> <li>• SOP No. 110/EST-ARM/13 dated 20 December 2012 concerning new land clearing procedure.</li> </ul> <p>This procedure includes efforts planning, prevention, response, post-fire management and reporting and coordination of fire fighting work. Land preparation, where the procedure explains that land clearing is done by mechanical (chipping method) and and Zero Burning.</p> <p>Based on the results of field observations in the replanting area at Teluk Bakau Estate, information was obtained that there were no signs of land clearing by burning. All land clearing activities were carried out mechanically.</p>		
<b>7.11.2</b>		
<p>PT Bhumireksa Nusasejati has procedure regarding fire prevention and control of land and estates</p> <ul style="list-style-type: none"> <li>• SOP No. SPO/B.5.2/BNS on May 1, 2013 regarding fire prevention and fire management.</li> <li>• SOP No. 01/BNS-PPAPAR/III/16 on March 1, 2016 regarding management and monitoring of emergency response facilities.</li> <li>• SOP No. 110/EST-ARM/13 on December 20, 2012 regarding new land clearing procedure</li> </ul> <p>PT Bhumireksa Nusasejati has a fire emergency response team for estate and mill. The company also conducted training and socialization regarding to emergency and how to handle fire incident in August 2, 2023. The participants in this event such as the fire emergency response team members from Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate, Makmur Jaya Village and Pelangiran Village representatives, security team from Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate. Based on the interview with Makmur Jaya Village and Pelangiran Village representative, this event can be confirmed.</p> <p>PT Bhumireksa Nusasejati has reported the fire prevention and control program to Plantation Agency Indragiri Hilir District with letter number 001/BNS/UM/PSD/I/2024 in January 8, 2024. Based on the document review and interview with the emergency response team member, there has been no fire incident in the company for the last two years.</p> <p>The interview results with sustainability officer and document review during the assessment stated that there is no replanting in Nusa Perkasa Estate, Nusa Lestari Estate, nor Teluk Bakau Estate. However, based on the interview result with Plantation Agency Indragiri Hilir District and fire management report, it can be concluded there was zero burning for land clearing in the company.</p>		
<b>7.11.3</b>		
<p>The company conducted training and socialization regarding to emergency and how to handle fire incident on August 2, 2023. The participants in this event such as the fire emergency response team members from Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate, Makmur Jaya Village and Pelangiran Village representatives, security team from Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate. Based on the interview with Makmur Jaya Village and Pelangiran Village representative, this event can be confirmed.</p> <p>Based on the observation to Teluk Bakau Factory, Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate, it can be concluded that there is a proper facility to handle fire incident in the area. The pump machine and fire hydrant are well functioned (proven by the simulation) and other equipment are accessible in the fire facility storage. The company also has a monitoring tower for fire incident, based on the observation to the fire tower in Block E11 Nusa Perkasa Estate, the fire</p>		

tower is located in strategic area for fire monitoring and currently in good condition. The company also has fire danger rating signboards in Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate office and estates block. All equipment is well monitored. In addition, the fire extinguishers are also available in Nusa Perkasa Estate, Nusa Lestari Estate, Teluk Bakau Estate office and employee housing, for instance in housing Division 3 Teluk Bakau Estate.

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**

PT Bhumireksa Nusasejati has land clearing after 2005 without prior HCV assessment. HCV assessment was conducted in 2009 with study scope 25,671 ha. The company sent disclosure of liability and LUCA to RSPO Compensation Plan on August 27, 2018. It was approved by RSPO via email ([jindrawan.suryadi@rspo.org](mailto:jindrawan.suryadi@rspo.org)) on April 25, 2022. It was stated that "The LUCA status is pass, with final conservation liability 0 ha and environmental remediation area 0 ha." It means the company has no obligation to continue to the Remediation and Compensation Procedure (RaCP).

**7.12.2**

HCV assessment in PT Bhumireksa Nusasejati was conducted in details as follows:

- The HCV study for PT Bhumireksa Nusasejati was carried out by *Yayasan Kelapa Sawit Berkelanjutan Indonesia* (YASBI) lead by Purwo Susanto using the 2008 HCV toolkit in December 2009. The HCV identification assessment was carried out within the scope of 2 POM (Teluk Bakau and Mandah Factory) and 5 Estates (TBE: Teluk Bakau Estate, NLE: Nusa Lestari Estate, NPE: Nusa Perkasa Estate, RSE: Rotan Semelur Estate, MDE: Mandah Estate). The total study area was 25,671 Ha. The identification results stated that the total potential HCV area from 1,138.63 Ha consisting of reserved conservation area, peat ecosystems, riparian Dendan and Kateman Rivers, and definitive 0.55 Ha (public cemetery).
- HCV study in 2009 concluded that HCV 1 and 3 were not found at PT Bhumireksa Nusasejati, but only potential HCV 1 was found with a total area of 1,047.80 Ha. It was peat ecosystem and a reserved conservation area as well as potential for HCV 3 with total area of 1,038, 37 Ha. However, the existence of the potential for HCV 1 has overlapped with the potential for HCV 3 so that it cannot be accumulated.  
Regarding the HCV Potential area with area 1,138.63 Ha, not all of it can be managed by the company even though the location is within the Land Use Title of the company. It is due to, almost the entire area has been controlled by the community, in occupation and enclave since 1980. It was taken into consideration by the HCV assessment team to determine the area as a potential HCV. Based on interview results with the legal staff and BPN, it was stated that the company has released the occupied HGU.
- HCV Re-Assessment Report was conducted on 11 – 14 December 2020 by the company's internal Sustainability & Quality Management (SQM) team. The assessment team consisted of Nur Aidah Ab. Ghani (Lead Assessor), Alegendran Maniam (HCV Assessor) and Mohd Zahlan Mohd Zaki (GIS & HCS practitioner), and Lee Swee Yin as Peer Review. Based on the results of the reassessment, HCV area of 99.71 Ha was obtained consisting of Forest Conservation Area (HCV 3) covering an area of 9.43 Ha and Kateman River Riparian covering an area of 3.79 Ha, Dendan River Riparian in NPE covering an area of 27.01 Ha, and Dendan River Riparian in RSE (HCV 4) covering an area of 59.38 Ha.
- HCV assessment in 2021 refers to the HCV assessment in 2009. The identification results for Definitive and Potential areas, but only in several HCV areas within the company's operational scope, namely public cemeteries and reserved conservation area of 9.98 Ha. Meanwhile, other HCV areas cannot be managed because they are occupied areas.

In 2022, HCV data was realigned as an effort to improve the previous assessment. It was done to synchronize HCV data in the PT Bhumireksa Nusasejati HCV Management Evaluation Report semester 2 of 2022. This re-measurement was carried out internally with the result of increasing the reserve area of the conservation area which was previously 9.43 Ha to **10.69**

**Ha.** However, the actual management is added to HCV 4 potential (the Kateman River of 3.79 Ha), as the corporate responsibility to the environment. The actual total area managed is 14.48 Ha which is located within the scope of the Teluk Bakau Factory certification. HCV management and reporting are still carried out for the entire scope of PT BNS (Teluk Bakau Factory and Mandah Factory Certification Units). **Based on the explanation, for the scope of Teluk Bakau Factory certification the HCV area is 10.69 ha.**

#### 7.12.3

Indicator 7.12.3 is irrelevant in Indonesia, until further decision by RSPO.

#### 7.12.4

The unit of certification has conducted programs to maintain protected areas and High Conservation Values area. It describes in HCV Management Plan 2021-2026 document. Details on each program and the time line is stated in the document.

Unit of certification has HCV management plan 2024 in accordance with the results of HCV review in 2023. The long-term HCV evaluation is conducted every 5 years. The long-term HCV evaluation aims to capture the changing in last 5 years of HCV program implementation and to create the long-term HCV programs. However, the company also has the annual HCV evaluation with relevant stakeholders. The latest HCV evaluation was conducted on December 2023. The annual evaluation purpose is to analyse opportunities and challenges in HCV program for the past year. It can affect the upcoming HCV management plan. The review result is the basic for HCV Management and Monitoring Program in January 2024 – December 2024. Since the HCV area in the scope of Teluk Bakau Factory certification is only located in Nusa Perkasa Estate, therefore the HCV evaluation only involving the representatives of Rotan Semelur Village, due to its close location to the HCV area. Other than that, the sustainability staffs and Nusa Perkasa Estate foreman and assistants also participate in the annual HCV evaluation.

The HCV management plan in January – December 2024 as details:

- Conduct training and appointed HCV officers
- HCV management by making boundary markers according to identification results
- Implementing zero burning
- Enrichment of forest plant species
- HCV socialization of HCV including RTE species
- To have signboard for HCV area
- Maintenance of HCV attributes by making, installing and maintaining boundary signs, boundary markers and conduct monitoring and maintenance of information boards.
- HCV monitoring by conducting surveys to inventory flora and fauna.
- HCV area patrols monthly.

Based on the observation result to HCV area in Block E011 Division 4 Nusa Perkasa Estate, the HCV area is a reserve forest area. The area is well managed, as confirmed from the availability of signboard, protected fauna information board, location coordinates, types of HCV, and chemical application boundary board.

#### 7.12.5

Based on the interview with sustainability staff, village representative (from Makmur Jaya Village and Pelangiran Village), Plantation Agency, HCV assessment result review, and field observation, it can be concluded that there is no area identified as the area to fulfil the local community basic needs or to be protected as the local community rights.

#### 7.12.6

The policy regarding RTE species for PT Bhumireksa Nusasejati is based on the conservation manual SOP document for Handling Wildlife No. SOP/028/BNS/2012 on November 1, 2012 and was approved by the Manager. Some of the explanations in the SOP including:

- The implementation for the fauna census is once a year and flora census are every 5 years.
- The census location is based on HCV area.
- Census is conducted by HCV officers.

- The implementation method is carried out through direct observation by HCV officers, interviews with employees or the local community regarding the presence of flora and fauna in the estates area.
- To report the census.
- Observation of fauna in HCV areas is carried out using the line transect method where all animals encountered along the route are recorded including signs of presence such as traces, droppings, food and so on.
- Observation of flora in HCV areas is carried out using the transect method or plot method.

It can be concluded that PT Bhumireksa Nusasejati has the commitment to conserve RTE species. The company policy also stated the criteria of RTE species as well as the prohibition to hunt and harm them. There are sanctions for the violation on this rule after being investigated further. This policy is also informed to other stakeholders, it can be confirmed from the interview result, for instance with spraying workers in Nusa Perkasa Estate (the same team for all divisions) and representative of Makmur Jaya Village and Pelangiran Village. They have a well comprehension regarding the RTE policy. During the observation, for example in Block E06 Division 2 Teluk Bakau Estate, there is no sign of animal traps.

PT Bhumireksa Nusasejati also conducted the socialization on RTE species to stakeholders (internal and external), as follows:

- on December 26, 2023: There were 26 participants in the events, including Nusa Perkasa Estates staffs and workers, as well as the representatives from Rotan Semelur Village.
- On October 27, 2023: There were 31 participants in the events, including Nusa Lestari Estate Estates staffs and workers, as well as the representatives from Makmur Jaya Village and Pelangiran Village.

There has been no incident with any RTE species in the area for the last two years.

PT Bhumireksa Nusasejati has reported the inventory of flora and fauna to the Conservation and Natural Resources Agency Riau Province on January 2, 2024. Based on the reported monitoring program, these protected species were found (according to Permen LHK 106/2018): *Sus scrofa*, *Amaruronid phoenicurus*, *Ciconiidae*, *Cotrunix japonica*, *Prionailurus bengalensis*, *Psittacula longicauda*, *Rhipidura javanica*, *Sturnidae*, *Pycnontus aurigaster*, *Spilopelia chinensis*, *Aquila*, *Varanus salvator*, *Trachypithecus*, *Prionailurus bengalensis*, *Varanus salvator*, *Pyton sp*, and *Naja naja*. The monitoring was conducted in the specified plot/the transect route.

#### 7.12.7

The unit of certification has conducted programs to maintain protected areas and High Conservation Values area. It describes in HCV Management Plan 2021-2026 document. Details on each program and the time line is stated in the document.

Unit of certification has HCV management plan 2024 in accordance with the results of HCV review in 2023. The long-term HCV evaluation is conducted every 5 years. The long-term HCV evaluation aims to capture the changing in last 5 years of HCV program implementation and to create the long-term HCV programs. However, the company also has the annual HCV evaluation with relevant stakeholders. The latest HCV evaluation was conducted on December 2023. The annual evaluation purpose is to analyse opportunities and challenges in HCV program for the past year. It can affect the upcoming HCV management plan. The review result is the basic for HCV Management and Monitoring Program in January 2024 – December 2024. Since the HCV area in the scope of Teluk Bakau Factory certification is only located in Nusa Perkasa Estate, therefore the HCV evaluation only involving the representatives of Rotan Semelur Village, due to its close location to the HCV area. Other than that, the sustainability staffs and Nusa Perkasa Estate foreman and assistants also participate in the annual HCV evaluation. This event can be confirmed by the interview with sustainability officer. During the assessment public consultation was not held with Rotan Semelur Village representatives.

The HCV evaluation in 2023 conclusion as details:

- The HCV management and monitoring programs in PT Bhumireksa Nusasejati have been implemented according to the timeline.
- All challenges in implementing the HCV programs can be solved properly.
- To manage the collaboration with local community (Rotan Semelur Village) for HCV management and monitoring program.

The observation result to HCV area in Block 11 Division 4 Nusa Perkasa Estate, the HCV area is a reserve forest area. The area is well managed, as confirmed from the availability of signboard, protected fauna information board, location coordinates, types of HCV, and chemical application boundary board.

PT Bhumireksa Nusasejati reported HCV monitoring and management program 2023 to Conservation and Natural Resources Agency Riau Province on January 4, 2024 based on the letter number 001/HCV/BNS/NPE/2024.

**7.12.8**

PT Bhumireksa Nusasejati has land clearing after 2005 without prior HCV assessment. HCV assessment was conducted in 2009 with study scope 25,671 ha. The company sent disclosure of liability and LUCA to RSPO Compensation Plan on August 27, 2018. It was approved by RSPO via email ([indrawan.suryadi@rspo.org](mailto:indrawan.suryadi@rspo.org)) on April 25, 2022. It was stated that "The LUCA status is pass, with final conservation liability 0 ha and environmental remediation area 0 ha." It means the company has no obligation to continue to the Remediation and Compensation Procedure (RaCP).

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

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA 2.2</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of trademark Use</b>	<b>X or √</b>
<b>ASA 2.2</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Trademark is not used on product</b>	<b>X or √</b>
<b>ASA 2.2</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Trademark, including withdrawing inappropriate trademark.</b>	<b>X or √</b>
<b>ASA 2.2</b>	The company didn't use logo and trademark of RSPO.	√
	<b>Status: Comply</b>	

**3.3 Summary of RSPO Partial Certification.**

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

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

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

MUTU Auditor has verified company partial certification and concludes that:

- PT Budidaya Agro Lestari waiting for land title process to some of its operational area.
- PT Guthrie Pecconina Indonesia – Sungai Jernih Estate currently is in HGU process
- The company has followed RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labor disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.
- There's extension scope of land use title on PT Bersama Sejahtera Sakti (previously uncertified unit) as amount as 240.12 ha.
- Based on social media verification related to uncertified unit, the issues are related to the issuance of land ownership which is still in process by the local agency.

Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
a	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company Group/Holding Statement:</b> The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit.</p>
b	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 Group/Holding Statement:</b> No replacement of primary forest or HCV or no new planting after Jan 1st 2010 for all uncertified units except for PT Sime Indo Agro, Bukit Ajong Mill East* Estate /Sei Mawang Estate which is</p>

		<p>currently under RaCP. LUCA submitted and currently under review process by appointed reviewer by RSPO.</p> <p><b>Auditor Verification:</b> Sime Darby Plantation Berhad sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> revision on 24 June 2016. Current status of LUCA report of SDP Berhad is having been sent the 19 reports of LUCA to RSPO on Aug 2018, responded by RSPO with need clarification. The companies ensuring reporting of disclosure of liability progress to RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</p>
c	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b> No new plantings. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p><b>Auditor Verification:</b> Karya Palma Estate (PT Sandika Natapalma) and Beturus Estate (PT Budidaya Agro Lestari) any new planting after January 1<sup>st</sup> 2010 and due to not conduct NPP it will be object of sanction.</p>
d	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 Group/Holding Statement:</b> The group has land conflict procedure in place. No Land conflict registered with RSPO Complaints System. No outstanding complaints with the RSPO.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement and there is no conflict in uncertified area.</p>
e	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 Group/Holding Statement:</b> No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There is no labour dispute in company unit.</p>
f	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 Group/Holding Statement:</b> None noted. No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b></p>

		<p>Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for company under SDP waiting for land title process, i.e.:</p> <ul style="list-style-type: none"><li>• PT Sime Indo Agro 5,815 Ha</li><li>• PT Bina Sains Cemerlang 308.25 Ha</li><li>• PT Bahari Gembira Ria 1,639 Ha</li><li>• PT Guthrie Pecconina Indonesia 890 Ha</li></ul>
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**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**

<b>NCR No.</b>	<b>: 2023.01</b>	<b>Issued by</b>	<b>: Moh Arif Yusni</b>
<b>Date Issued</b>	<b>: 11 February 2023</b>	<b>Time Limit</b>	<b>: ASA 2.2</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 3 April 2023</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</b>		
<b>Evidence observed</b> (filled by auditor): From the results of document verification, it is known that the company already has a waste disposal procedure, such as;			
<ol style="list-style-type: none"> <li>Medical Waste Management SOP No. 005/SOP-klinik/IX/2022 dated 01 October 2022 which explains the management of medical waste, namely <ul style="list-style-type: none"> <li>The resulting solid medical waste is put into a yellow plastic bag with the symbol "Biohazard", while the liquid medical waste is sent directly to the WWTP, making sure the plastic bag container has no leaks.</li> <li>Medical bags that have been filled <math>\frac{3}{4}</math> full no later than 12 hours are transferred to TPS LB3.</li> <li>Storage of B3 medical waste for a maximum of 2x24 hours at room temperature.</li> <li>Storage can be carried out for 90 days at temperatures below 0°C or less.</li> <li>Medical waste that has been bound is disinfected when it is to be transported to the processor.</li> </ul> </li> <li>SOP for Handling Domestic Waste with No. 012/SOU/IV/2014 dated April 4 2014 which explains the management of domestic waste, namely: <ul style="list-style-type: none"> <li>Domestic waste is collected in bins that have been provided in residential areas or work locations.</li> <li>If the landfill is already full, then it will backfilled and marked, a new TPSA is made.</li> <li>Garbage is only disposed of in the space provided.</li> </ul> </li> </ol>			
Based on the results of the field visit, it is known that there is waste that is not in accordance with the procedures owned, namely;			
<ul style="list-style-type: none"> <li>At hazardous storage in NLE there were 4 packs of infectious medical waste plastic bags placed together with stacks of ex-agrochemical containers, without labels and identification of the waste.</li> <li>Domestic waste scattered in the area behind the employee housing of NPE Division 3 and TBE Division 1.</li> <li>Landfill in NPE unit already full and there is trash scattered around.</li> </ul>			
<b>Non-Conformance Description</b> (filled by auditor): From this description, it can be concluded that the company has not carried out waste management as a whole in accordance with the procedures it has.			
<b>Root Cause Analysis</b> (filled by organization audited): The storage officer just got the job for two months, therefore he has no comprehensive understanding on the hazardous and toxic waste. There is no certain officer for domestic waste monitoring program. Therefore, the waste transporting from housing area to landfill area is not well implemented.			
<b>Correction</b> (filled by organization audited): <ul style="list-style-type: none"> <li>To conduct refreshment on waste management SOP to employees and housing residents.</li> <li>To clean the domestic waste in the housing area.</li> <li>To have an officer for domestic waste management</li> </ul>			

<ul style="list-style-type: none"> <li>• To clean the landfill area and only put the waste in the landfill pit.</li> <li>• To make new landfill pit after the old one is full.</li> </ul>	
<p><i>Corrective Action (filled by organization audited):</i></p> <ul style="list-style-type: none"> <li>• To monitor the waste management in housing area.</li> <li>• To monitor the landfill area monthly</li> </ul>	
<p><i>Assessor Evaluation and Conclusion (filled by auditor):</i></p> <p><b>Auditor verification on April 3, 2023:</b>            The company has attached the supporting documents, such as:            Minutes on refreshment for waste management SOP to employees on February 14,2023.            Monitoring checklist for waste in Mandah Estate and Rotan Semelur Estate.            Monitoring mechanism based on the sustainable palm oil plantation guidelines No 724/TQEM-SPMS/09 rev. 00 on August 27, 2020 chapter VII on Monitoring and Implementation</p> <p>Based on the verification result, the supporting documents can be accepted. Therefore, the NC in this indicator is stated to be complied.</p>	
<p><i>Follow up on next audit (filled by auditor):</i></p> <p><b>Auditor verification on January 20, 2024</b>            Regarding NC from previous audit, currently there is no more findings related to the unmanaged waste in the housing and landfill area. Therefore, the requirements in this indicator are stated to be complied.</p>	
<i>Verified by</i>	<p><b>: Septian Maulana/Dinda Febrima Napitupulu</b></p>

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

<b>NCR No.</b>	: 2024.01	<b>Issued by</b>	: Firda Tarunajaya
<b>Date Issued</b>	: 20 January 2024	<b>Time Limit</b> <b>Batas Waktu</b>	: 19 April 2024
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: <b>2.2.2</b> <b>All contract, including those for FFB supply, contain specific clause on meeting relevant legal requirements and this can be demonstrated by the third party</b>		
<p><b>Evidence observed (filled by auditor):</b> The company has the latest list of stakeholders for the period January 2024. It is known that there are 39 contractors/suppliers, including PT Oscar Investama and PT Riau Sawitindo Abadi as FFB suppliers.</p> <p>Based on the results of the document review, there is a Work Agreement between PT BNS and PT Oscar Investama. The work agreement is in Addendum III to the Palm Oil TBS Sale and Purchase Agreement Letter No. 01/OCP/BNS-OSCAR/XI/2022 dated 12 October 2023 which is valid until 31 December 2024 and TBS sale and purchase agreement with PT Riau Sawitindo Abadi, in Addendum II to Palm Oil FFB Sales and Purchase Agreement Letter No. 02/OCP/BNS-RSA/XII/2022 dated 18 December 2023 which is valid until 31 December 2024. In the work agreement letter there is a Vendor Integrity Plaque that suppliers must adhere to, the standards of behavior required from Vendors are related to:</p> <ul style="list-style-type: none"> <li>- Labor and human rights</li> <li>- Environment, safety and health</li> <li>- Management ethics and practices</li> </ul> <p>Based on the results of interviews with representatives of PT Oscar Investama and PT Riau Sawitindo Abadi, information was obtained that the Company had included its workers in the BPJS Employment and BPJS Health programs. Apart from that, the Company has also submitted proof of payment as part of the evaluation of compliance with contractor regulations.</p> <p>However, until the closing meeting, evidence could not be shown of the evaluation of compliance with the regulations carried out by the contractor/supplier</p> <p><b>Non-Conformance Description (filled by auditor):</b> Based on the explanation above, it is known that the Company has not been able to show sufficient evidence that third parties have complied with relevant legal obligations</p> <p><b>Field Closure Recommendations for Major NC (filled by Lead auditor):</b> -</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b> <b>January 22, 2024</b> There is no PIC set to communicate regarding regulatory compliance between PT BNS and PT OI and PT RSA</p>		<p><b>Auditor Verifications Regarding Root Cause Analysis (filled by auditor):</b> <b>January 24, 2024</b> 1. Why hasn't there been a PIC set to communicate with PT OI &amp; PT RSA?</p>	

<p><b>January 29, 2024</b> PT BNS already has SOPs for Legal Fulfillment Requirements for Third Parties/Contractors but has not been disseminated to PT OI &amp; PT RSA.</p> <p>So far, TBF Section Head as a PIC who communicates with PT OI &amp; PT RSA has not filed third-party legal compliance documents.</p>	<p>2. Does the certification unit have procedures or provisions governing cooperation with third parties? Does it have procedures/technical implementation regarding the evaluation of contractors related to the fulfillment of relevant obligations?</p> <p>3. Have third parties who have collaborated with PT BNS been conveyed and understand about the obligation to comply with relevant regulations, for example related to employment and OHS? Not just plaques or symbolic</p> <p>4. What about the results of the contractor's interview which stated that he had included his employees in the BPJS program and proof of payment had been submitted to the certification unit?</p> <p><b>February 1, 2024</b> Root cause analysis is accepted.</p>
<p><b>Correction (filled by organization audited):</b></p> <p><b>January 22, 2024</b></p> <ul style="list-style-type: none"> <li>• Continuous communication related to compliance evaluation between PT BNS and PT OI and / or PT RSA, the Area Controller of PT BNS appointed Section Head Teluk Bakau Factory Mr. Yulianus as PIC to communicate &amp; monitor related to regulatory compliance and PT OI and / or PT RSA (same group) Oscar group) appointed HRD Mrs. Dwi Setia</li> <li>• Submit supporting documents for the evaluation of legal compliance of FFB suppliers / contractors in the form of: proof of payment of BPJS Employment and Health, copy of salary slips, worker status, implementation of OHS (provision of PPE).</li> </ul> <p><b>January 29, 2023</b></p> <ul style="list-style-type: none"> <li>• Convey/socialize SOPs for third party Legal Fulfillment Requirements to PT OI &amp; PT RSA via email</li> <li>• Submit supporting documents for the evaluation of legal compliance of FFB suppliers / contractors in the form of: proof of payment of BPJS Employment and Health, copy of salary slips, worker status, implementation of K3 / OHS SOP.</li> </ul>	<p><b>Auditor Verifications Regarding Correction (filled by auditor):</b></p> <p><b>January 24, 2024</b> The Company may redetermine the corrections that have been or will be made after determining the root of the problem in accordance with the NC.</p> <p><b>February 1, 2024</b> Examples of salary slips, worker status (Work Agreement Letter) &amp; implementation of OHS (PPE Provision) from Third Parties, please show for examples at employee level only who handle FFB Transportation / Delivery (Not Division Assistant level).</p>

<p><b>Corrective Action</b> (filled by organization audited):</p> <p><b>January 29, 2024</b></p> <ul style="list-style-type: none"> <li>• Refresh the third-party Legal Compliance Requirements Procedure and assign each unit's KTU/Kasie as a third-party legal compliance evaluation PIC</li> <li>• Conduct checklist/monitoring of legal compliance evaluation of FFB contractors/suppliers once a year in November</li> </ul>	<p><b>Auditor Verifications Regarding Tindakan Korektif</b> (filled by auditor):</p> <p><b>January 24, 2024</b> The company can redetermine the corrective actions to be taken according to the exact root cause. In addition, corrective action is required to include other units that are not sampled so that these NC do not recur in the future</p> <p><b>February 1, 2024</b> Corrective action is acceptable</p>
<p><b>Assessor Evaluation and Conclusion</b> (filled by auditor):</p> <p><b>Auditor Verification January 24, 2024</b> The certification unit has determined the root cause, correction and corrective action but there are still questions the Auditor has that require further explanation. In addition, the certification unit needs to attach all corrective action documents that have been and will be carried out. Therefore, the non conformity in this indicator <b>has not complied</b>.</p> <p><b>Auditor Verification February 1, 2024</b> The company has determined the root cause fix and corrective action acceptable to the Auditor, but the certification unit still needs to follow up on the Auditor's response to the correction.</p> <p>The Company also has procedures for legal compliance requirements for third parties (SOP No. 001/BNS-PPHK/II/22 dated January 22, 2022), showing evidence of socialization of third party compliance procedures with relevant legal provisions that have been implemented on January 26, 2024 attended by staff representatives at TBE, NPE, MDE, NLE, RSE and sustainability, socialization of SOPs for third-party Legal Fulfillment Requirements to PT OI &amp; PT RSA via email dated January 27, 2024, checklist monitoring legal compliance of 3rd party PT BNS, proof of payment of BPJS Health and Employment, Assistant level Work Agreement Letter with the Company. <b>Therefore, the non conformity in this indicator has not complied.</b></p>	
<p><b>Follow up on next audit</b> (filled by auditor):</p>	
<p><b>Verified by</b> :</p>	

NCR No.	: 2024.02	Issued by	: Septian Maulana/Dinda Febrima Napitupulu
Date Issued	: 20 January 2024	Time Limit	: 19 April 2024
NC Grade	: Major	Date of Closing	: 1 February 2024
Standard Ref. & Requirement	: 7.8.2 <b>Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).</b>		
<p><b>Evidence observed (filled by auditor):</b>            RSPO Manual on Best Management Practices (BMPs) for the Management and Rehabilitation of Riparian Reserves (April 2017) in the additional consideration stated "Small streams (&lt;1m wide) and <b>artificial drainage channels do not require riparian reserves</b> under most national and/or RSPO guidelines. However, pollutants entering small waterways <b>could have major impacts on water quality in larger rivers. RSPO strongly recommends</b> that oil palm plantation managers <b>minimise, or ideally eliminate</b> altogether, <b>the application of fertilisers and pesticides within 10m</b> of small and/or <b>artificial watercourses</b>, besides maintaining full riparian reserves along the larger natural waterways. Maintaining good vegetation cover along the banks of small waterways is particularly important during land clearance and planting/replanting of oil palms when large areas of bare soil were often washed into waterways."</p> <p>The company also has memorandum to prohibit spraying or applying chemical near to canals based on the memo number 001/PTBNS/II/2019. The instructions from senior manager, as follows:</p> <ul style="list-style-type: none"> <li>• no chemical application near canals, for main canals, collector canals, and branch canals less than 5 meters</li> <li>• to make sure no pesticide container's cleaning and PPE for spraying cleaning in main canals, collector canals, and branch canals</li> <li>• manual upkeep near to canals area.</li> </ul> <p>Based on the interview result with spraying team in Block 003 Division 1 Nusa Perkasa Estate, they have comprehensive understanding on the canals management. They have participated in the socialization regarding no chemical spraying near the canals. However, based on the observation to the main canals in Block D010 Division 3 Nusa Perkasa Estate, it was found the remaining of chemical application.</p> <p><b>Non-Conformance Description (filled by auditor):</b></p> <p>Based on the explanation, it can be concluded that the company has not completely implemented the water course (especially canals which flows to Dendan River) management based on the RSPO guidelines and the company's memorandum.</p> <p><b>Field Closure Recommendations for Major NC (filled by Lead auditor):</b></p> <p>-</p>			
<p><b>Root Cause Analysis (filled by organization audited):</b></p> <p><b>January 22, 2024</b></p> <ul style="list-style-type: none"> <li>• The Block Spraying System Team does not have fully comprehension regarding the prohibition to spray chemical near the canal. There is also a weak supervision due to the new contract as foreman on November 1, 2023.</li> </ul>		<p><b>Auditor Verifications Regarding Root Cause Analysis (filled by auditor):</b></p> <p><b>January 24, 2024</b>            Root cause analysis is accepted.</p>	

<ul style="list-style-type: none"> <li>There is no border marking for chemical application.</li> </ul>	
<p><b>Correction (filled by organization audited):</b></p> <p><b>January 22, 2024</b></p> <ul style="list-style-type: none"> <li>To conduct awareness on Memorandum regarding Prohibition for Spraying number 001/PTBNS//2019 by the Senior Manager.</li> <li>To create a statement letter that BSS team understand the prohibited locations for spraying chemical.</li> <li>To have signboard for no chemical application near canal. The signboard location is in front of BSS storage and housing.</li> <li>To have temporary stake for spraying marking during spraying, minimum 5 meters.</li> </ul> <p><b>January 29, 2024</b> To attach more supporting document.</p>	<p><b>Auditor Verifications Regarding Correction (filled by auditor):</b></p> <p><b>January 24, 2024</b> There is no supporting document for the mentioned correction.</p> <p><b>February 1, 2024</b> The company has attached the supporting documents, as follows:</p> <ul style="list-style-type: none"> <li>Minutes of awareness on Memorandum regarding Prohibition for Spraying number 001/PTBNS//2019 by the Senior Manager.</li> <li>Statement letter that BSS team understand the prohibited locations for spraying chemical.</li> <li>Documentation of signboard for no chemical application near canal. The signboard location is in front of BSS storage and housing.</li> <li>Documentation of beneficial plants in the former sprayed area.</li> <li>Documentation of temporary stake for spraying marking during spraying, minimum 5 meters.</li> </ul>
<p><b>Corrective Action (filled by organization audited):</b></p> <p><b>January 22, 2024</b></p> <ul style="list-style-type: none"> <li>To read the memorandum of prohibition to spray in near canal every morning briefing.</li> <li>To give sanction for the spraying near the canal.</li> </ul>	<p><b>Auditor Verifications Regarding Tindakan Korektif (filled by auditor):</b></p> <p><b>January 24, 2024</b> The corrective action is accepted.</p> <p><b>February 1, 2024</b> Additional document on the first reprimand letter to the spraying worker and foreman.</p>
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p> <p><b>Auditor Verification on Januari 24, 2024</b> The company has identified the root cause analysis, correction, and corrective actions. However, there is no supporting documents of the proposed correction. Therefore, the non conformity in this indicator has not complied.</p> <p><b>Auditor Verification on Januari February 1, 2024</b> The company has identified the root cause analysis, correction, and corrective actions. The supporting documents have been attached. Therefore, the non conformity in this indicator is complied.</p>	
<p><b>Follow up on next audit (filled by auditor):</b></p>	

<b>Verified by</b>	: <b>Septian Maulana</b>

**3.4.3. Opportunity for Improvement**

No	Ref. Std.	Description
1	6.3.1	<p><b>A published statement recognizing freedom of association and right to collective bargaining in national languages is available and is explained to all workers in languages that they understand, and is demonstrably implemented</b></p> <p>The Unit of Certification has a workers' union in each unit, namely at Teluk Bakau Factory, Teluk Bakau Estate, Nusa Lestari Estate and Nusa Perkasa Estate. As a result of the document review, it was discovered that the management composition of the Nusa Perkasa Estate workers union was approved by the Head of the Manpower and Transmigration Department on September 19<sup>th</sup>, 2018 and the management composition was for the 2018-2023 service period. The certification unit has the opportunity to renew the management structure of the trade union for the next term of service</p>

**3.4.4. Noteworthy Positive Components**

No	Description
1.	The commitment to implement best practice management principle.
2.	The company has competent human resources in their respective fields.
3.	Good document presentation.
4.	Using Reverse Osmosis technology to fulfill employees' drinking water needs.

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

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Manpower and Transmigration Agency Indragiri Hilir District</b>  <b>Head Section for Industrial Work</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Routine reporting on employment online.</li> <li>• All employees have health insurance (<i>BPJS Kesehatan</i>) and working insurance (<i>BPJS Ketenagakerjaan</i>).</li> <li>• No fatal accident at work for the last two years.</li> <li>• No negative issue on employment.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Environmental and Sanitation Agency Indragiri Hilir District</b>  <b>Environment Supervisor</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Routine reporting on RKL RPL</li> <li>• No environmental issue</li> <li>• Permit regarding environment is still valid</li> <li>• Well maintained communication with the company</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Land Agency Indragiri Hilir District</b>  <b>Head Office</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Well maintained communication with the company</li> <li>• No extension scope</li> <li>• The occupation area has released to local community</li> <li>• Routine report on land use</li> <li>• No conflict with local community for the last two years.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Plantation Agency Indragiri Hilir District</b>  <b>Head of Facilitate and Infrastructure</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Plantation assessment was conducted in 2023.</li> <li>• Routine report has been submitted.</li> <li>• No fire incident for the last two years.</li> <li>• Well informed on MPA to agency.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Pelangiran Village (Village Head)</b>  <b>Makmur Jaya Village (Village Head)</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Located near to Nusa Lestari Estate.</li> <li>• Company facilitate water transportation for community's children to go to school.</li> <li>• Providing animal for Eid-Adha.</li> <li>• Assisst the MPA (<i>Masyarakat Peduli Api</i>) trainings and fire control equipments.</li> <li>• Participatory approach for CSR is implemented.</li> </ul>	<p>There is no negative issue which needed further verification.</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Head of Gender Committee Teluk Bakau Estate</b>  <b>Head of Gender Committee Teluk Bakau Factory Estate</b>  <b>Head of Gender Committee Nusa Perkasa Estate</b>  <b>Head of Gender Committee Nusa Lestari Estate</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• All committee is women.</li> <li>• Gender committee program including to conduct vaccination.</li> <li>• No discrimination issue for the last two years.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Head of Labor Union Teluk Bakau Estate</b>  <b>Head of Labor Union Teluk Bakau Factory Estate</b>  <b>Head of Labor Union Nusa Perkasa Estate</b>  <b>Head of Labor Union Nusa Lestari Estate</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Participate actively in Social Dialog with management representatives. It is held every two weeks.</li> <li>• No issue on employment.</li> <li>• The updated Collective Labor Agreement 2023-2024.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>PK Transporter (PT Pelayaran Sinar Pagoda)</b>  <b>Marketing Manager</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Collaborate since 2013.</li> <li>• Obtain the updated information on RSPO by the company annually.</li> <li>• No payment issue with PT BNS</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>Contractor for Housing Renovation (CV Heng Heng)</b>  <b>Supervisor</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Collaborate from September 2023 – March 2024.</li> <li>• To renovate and build housing in TBE, MDE, and RSE.</li> <li>• All employess in CV Heng Heng has health insurance and working insurance.</li> <li>• No payment issue with PT BNS.</li> </ul>	<p>There is no negative issue which needed further verification.</p>
<p><b>FFB Supplier (PT Oscar Investama)</b>  <b>Estate Manager</b>  <b>January 16, 2024</b></p> <ul style="list-style-type: none"> <li>• Collaborate since 2022</li> <li>• FFB price is agreed based on the MoU</li> <li>• Payment is transferred after 14 days</li> <li>• No payment issue with PT BNS</li> </ul>	<p>There is no negative issue which needed further verification.</p>

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>		
4.1	<b>Formal Sign-off of Assessment Findings</b>		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Bhumireksa Nusasejati Head of Sustainability</p>  <p><b><u>Alagendran Maniam</u></b> Thursday, 01 February 2024</p> </td> <td style="width: 50%; text-align: center; vertical-align: top;"> <p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><b><u>Septian Maulana</u></b> Thursday, 01 February 2024</p> </td> </tr> </table>	<p>PT Bhumireksa Nusasejati Head of Sustainability</p>  <p><b><u>Alagendran Maniam</u></b> Thursday, 01 February 2024</p>	<p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><b><u>Septian Maulana</u></b> Thursday, 01 February 2024</p>
<p>PT Bhumireksa Nusasejati Head of Sustainability</p>  <p><b><u>Alagendran Maniam</u></b> Thursday, 01 February 2024</p>	<p>PT Mutuagung Lestari Tbk Lead Auditor</p>  <p><b><u>Septian Maulana</u></b> Thursday, 01 February 2024</p>		

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

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
1	Manpower and Transmigration Agency	Indragiri Hilir District	-	Via Telephone	16 January 2024	✓	
2	Environmental and Sanitation Agency	Indragiri Hilir District	-	Via Telephone	16 January 2024	✓	
3	Land Agency	Indragiri Hilir District	-	Via Telephone	16 January 2024	✓	
4	Plantation Agency	Indragiri Hilir District	-	Via Telephone	16 January 2024	✓	
5	Makmur Jaya Village Village	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
6	Pelangiran Village	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
6	Gender Committee Teluk Bakau Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
7	Gender Committee Nusa Perkasa Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
8	Gender Committee Nusa Lestari Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
9	Gender Committee Teluk Bakau Factory	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
10	Labor Union Teluk Bakau Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
11	Labor Union Nusa Perkasa Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
12	Labor Union Nusa Lestari Estate	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
13	Contractor for Housing Renovation (CV Heng Heng)	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
14	PK Transporter (PT Pelayaran Sinar Pagoda)	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
15	FFB Supplier (PT Oscar Investama)	Indragiri Hilir District	-	Direct Interview	16 January 2024	✓	
16	Teluk Bakau Factory (TBF): - 1 WWTP officer - 1 housing resident - 1 Loading Ramp Operators - 2 Sterilizer operator - 1 Engine Room Operator - 2 Firefighter (Hydrant Operators) - 1 Pressing Operator - 2 Boiler Operators - 1 Incinerator Operator - 1 Clarificatiion Operator - 1 Kernel Operator - 1 Security - 1 Scale Operator - 1 Warehouse Clerk - 1 WTP Operator	Indragiri Hilir District	-	Direct Interview	17 January 2024	✓	

No	Institution/ NGO/ Community	Address	Phone/ Email	Form of Comm	Date of Contact	Response	
						Yes	No
	<ul style="list-style-type: none"> <li>- 1 Fuel Operator</li> <li>- 1 Grading Worker</li> <li>- 2 Sorting Workers</li> <li>- 1 Laboratory worker</li> <li>- 2 residents of housing complex</li> <li>- 1 Furnace officer</li> </ul>						
17	Teluk Bakau Estate (TBE): <ul style="list-style-type: none"> <li>- 1 fire equipment storage officer</li> <li>- 3 housing residents</li> <li>- 1 babysitter</li> <li>- 3 Pesticide Applicators</li> <li>- 2 Weeding Foreman</li> <li>- 4 Harvesters</li> <li>- 1 Harvesting Foreman</li> <li>- 3 Weeding Manual Workers</li> <li>- 5 FFB Loaders</li> <li>-</li> </ul>	Indragiri Hilir District	-	Direct Interview	18 January 2024	✓	
18	Nusa Lestari Estate (NLE): <ul style="list-style-type: none"> <li>- 1 Storage officer</li> <li>- 1 babysitter</li> <li>- 3 housing residents</li> <li>- 4 Pesticide Applicators</li> <li>- 3 Weeding Foreman</li> <li>- 4 Harvesters</li> <li>- 1 Harvesting Foreman</li> <li>- 3 Weeding Manual Workers</li> <li>-</li> </ul>	Indragiri Hilir District	-	Direct Interview	17 January 2024	✓	
19	Nusa Perkasa Estate <ul style="list-style-type: none"> <li>- 1 Warehouse Worker</li> <li>- 1 Member of Emergency Response Team</li> </ul>	Indragiri Hilir District	-	Direct Interview	17 January 2024	✓	
21	World Wide Fund	Jakarta	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Via Email	10 January 2024		✓
22	Wahana Lingkungan Hidup Indonesia	Jakarta	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Via Email	10 January 2024		✓
23	Sawit Watch	Jakarta	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Via Email	10 January 2024		✓
24	Rumah Aman	Jakarta	<a href="mailto:rumahaman@cbn.net.id">rumahaman@cbn.net.id</a>	Via Email	10 January 2024		✓

**Appendix 2. Assessment Program**

DATE	15 – 21 January 2024	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 15 January 2024</b>		
05.50 – 07.25	<b>Jakarta (CGK) → Batam (BTH) (QG-940)</b>	<b>All Auditor</b>
09.00 – 10.00	<b>Opening meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Certified Management Unit).</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification).</li> </ul>	<b>All Auditor</b>
12.30 – 19.00	<b>Batam → Audit Location</b>	<b>All Auditor</b>
<b>Tuesday, 16 January 2024</b>		
08.00 – 16.30	<b>Public Consultation</b> <ul style="list-style-type: none"> <li>Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier and scheme smallholders.</li> <li>Stakeholder consultation to affected communities surrounding the plantations and previous land owner as well as Local NGO.</li> <li>public consultation with stakeholder to relevant agency in Indragiri Hilir Regency by phone.</li> <li>Document verification and completing checklist.</li> </ul>	<b>All Auditor</b>
16.30 – 17.00	Submission of audit progress.	<b>All Auditor</b>
<b>Wednesday, 17 January 2024</b>		
08.00 – 12.00	<b>Field Observation to Nusa Lestari Estate (FIT &amp; ALS) and Nusa Perkasa Estate (SEP/DNA)</b> Aspect to be verified: <ul style="list-style-type: none"> <li>Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect.</li> <li>Implementation of Environmental, and Waste Management Aspect (inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	<b>FIT</b>  <b>SEP/DNA</b>  <b>ALS</b>
12.00 – 14.00	<b>Break</b>	<b>All Auditor</b>
14.00 – 16.30	<b>Teluk Bakau POM</b> Aspect to be verified: <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge).</li> <li>Implementation of Environmental Aspect, Inspection to Chemical Storage, Hazardous Waste Storage, Workshop, WTP, Fire Control Simulation.</li> <li>Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect, security post, FFB Sorting, Processing Activity, Despatch CPO).</li> <li>POME Pond, Empty Bunch Area.</li> </ul>	<b>FIT</b>  <b>SEP/DNA</b> <b>FIT/DNA</b>  <b>ALS</b>

DATE	15 – 21 January 2024	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
16.30 – 17.00	Submission of audit progress.	All Auditor
<b>Thursday, 18 January 2024</b>		
08.00 – 12.00	<b>Field Observation to Teluk Bakau Estate</b> Aspect to be verified: <ul style="list-style-type: none"> <li>• Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV;</li> <li>• Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application), Implementation of Occupational Health &amp; Safety Aspect, Implementation of Employment Procedure and Mechanism Aspect.</li> <li>• Implementation of Environmental, and Waste Management Aspect (inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management), Observation of Workers Facilities (Housing, School, Worship Place).</li> </ul>	FIT  SEP/DNA  ALS
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.30	Document review, basic info verification and metric template verification.	All Auditor
16.30 – 17.00	Submission of audit progress.	All Auditor
<b>Friday, 19 January 2024</b>		
08.00 – 12.00	Document review, basic info verification and metric template verification.	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 16.30	Document review, basic info verification and metric template verification.	All Auditor
16.30 – 17.00	Submission of audit progress.	All Auditor
<b>Saturday, 20 January 2024</b>		
08.00 – 12.00	Document review, basic info verification and metric template verification.	All Auditor
12.00 – 14.00	<b>Break</b>	All Auditor
14.00 – 15.00	Internal discussion by auditor team preparing for Closing Meeting.	All Auditor
15.00 – 16.00	<b>CLOSING MEETING</b> <ul style="list-style-type: none"> <li>• Presentation of audit findings (Noteworthy Positive Component, Non-Conformities, OFI, Timeline of CAR's, Conclusion).</li> <li>• Comments, Responses and Questions</li> </ul>	All Auditor
<b>Sunday, 21 January 2024</b>		
07.00 – 12.00	<b>Audit Location – Batam (BTH)</b>	All Auditor
12.00 – 13.20	<b>Batam (BTH) → Jakarta (CGK) (GA-157)</b>	All Auditor