

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

[] Stage-1 [] Stage-2 [✓] Surveillance [] Re-Certification

Name of Management Organisation : ANJA Siais POM – PT ANJA Siais subsidiary of Austindo Nusantara Jaya Agri
 Plantation Name : Lembah Subur Utara Estate and Lembah Subur Selatan Estate
 Location : Pardomuan Village, Angkola Selatan Sub District, Tapanuli Selatan District, Sumatera Utara Province, Indonesia
 Certificate Code : **MUTU-RSPO/046**
 Date of Certificate Issue : 25 September 2014 Date of License Issue : 25 September 2016
 Date of Certificate Expiry : 24 September 2019 Date of License Expiry : 24 September 2017

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-2	18 – 22 July 2016	Ardiansyah (Lead Auditor), Leonada, Andi Pratama Pasaribu, Steve Mualim	Octo H.P.N. Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-2	7 September 2016

PT Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia
 Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6 • Email: agri@mutucertification.com • www.mutucertification.com
 MUTU Certification • Accredited by Accreditation Services International
 On March 12th, 2014 with registration number **RSPO-ACC-007**

TABLE OF CONTENT

FIGURE	1
Figure 1. Location Map of PT ANJA Siais	1
Figure 2. Operational Map of PT ANJA Siais	2
Glossary.....	3
1.0 SCOPE OF THE CERTIFICATION ASSESSMENT	4
1.1 Assessment Standard Used	4
1.2 Organisation Information.....	4
1.3 Type of Assessment.....	4
1.4 Locations of Mill and Plantation	4
1.5 Description of Area Statement	5
1.6 Planting Year and Cycles.....	5
1.7 Description of Mill and Supply Base	6
1.8 Estimate Tonnage of Certified Product.....	6
1.9 Other Certifications	7
1.10 Time Bound Plan	7
2.0 ASSESSMENT PROCESS.....	9
2.1 Assessment Team.....	9
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	9
2.3 Stakeholder Consultation and Stakeholders Contacted.....	11
2.4 Determining Next Assessment.....	12
3.0 ASSESSMENT FINDINGS	13
3.1 Summary of Assessment Report of the RSPO Certification	13
3.2 Summary of Assessment Report of Supply Chain Requirements	35
3.3 Conformity Checklist of Certificate and Logo Use.....	39
3.4 Summary of RSPO Partial Certification	40
3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components	43
3.6 Summary of Arising Issues from Public, Management and Auditor Response	67
4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY	76
4.1 Formal Sign-off of Assessment Findings.....	76
APPENDICES	77
Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process	77
Appendix 2. Assessment Program.....	78

FIGURE

Figure 1. Location Map of PT ANJA Siais

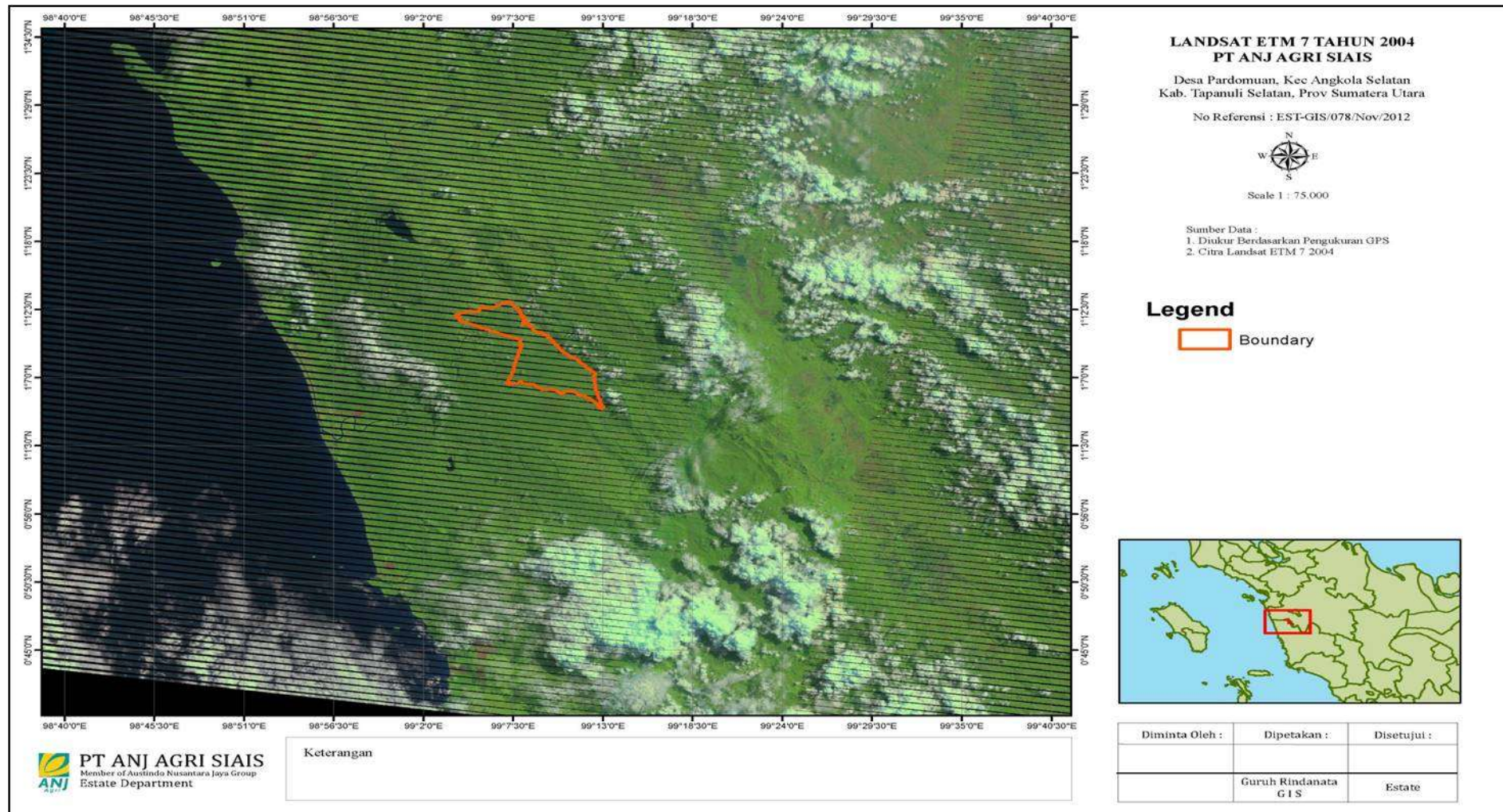
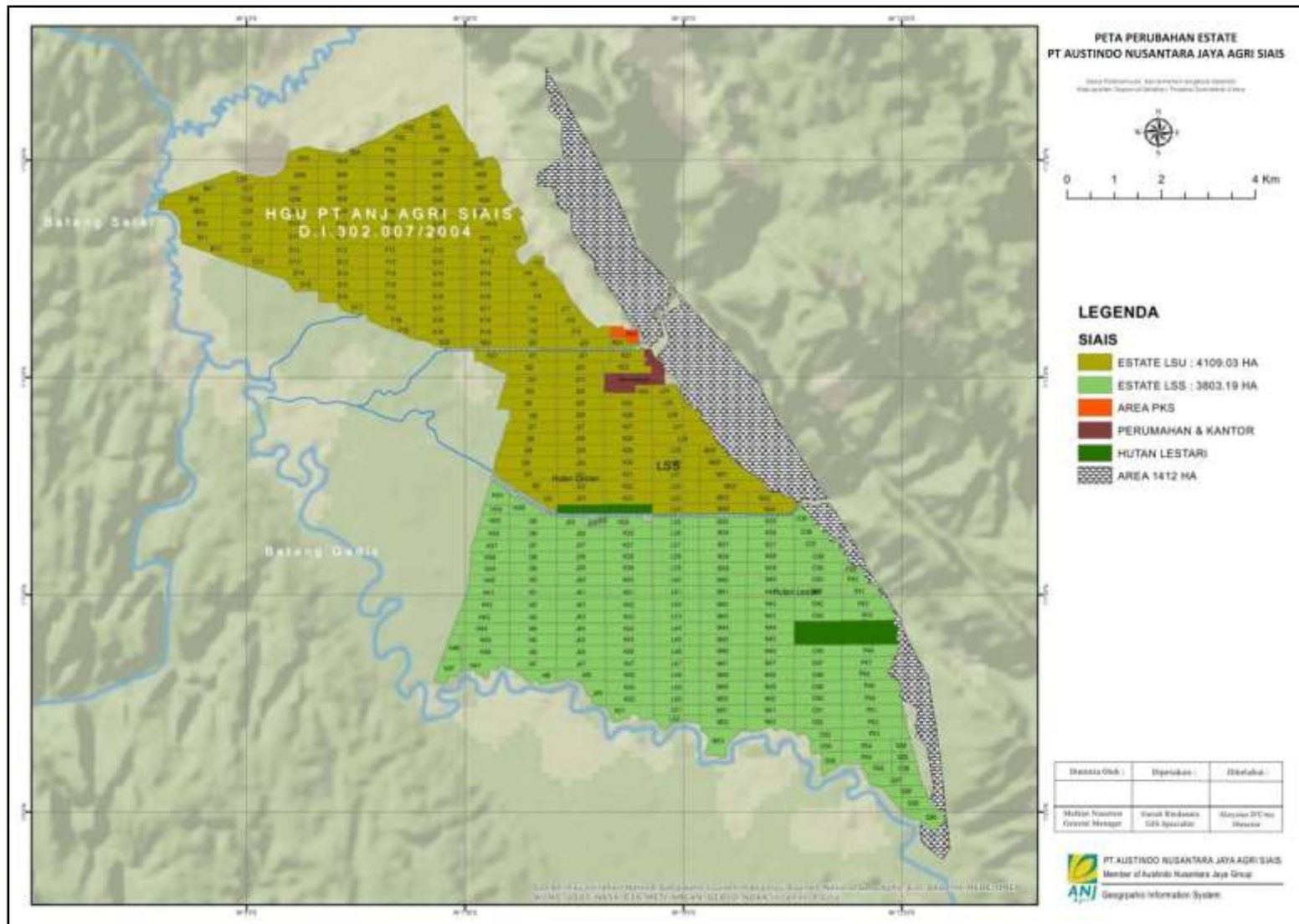


Figure 2. Operational Map of PT ANJA Siais



Glossary

ANDAL	: <i>Analisa Dampak Lingkungan</i> (Environmental Impact Assessment)
ANJA	: PT Austindo Nusantara Jaya Agri
ASA	: Annual Surveillance Assessment
BOD	: Biological Oxygen Demand
BNP	: <i>Badan Pertanahan Nasional</i> (National Land Agency)
CD	: Community Development
CSR	: Corporate Social Responsibility
CPO	: Crude Palm Oil
EFB	: Empty Fruit Bunch
EIA	: Environmental Impact Assessment
EHS	: Environment, Health and Safety
FFB	: Fresh Fruit Bunches
GHG	: Green House Gases
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha</i> (Land Use Permit)
HR	: Human Resource
IPM	: Integrated Pest Management
LCC	: Legume Cover Crop
LSU	: Leaf Sampling Unit
LUC	: Land Use Change
MSDS	: Material Safety Data Sheets
NC	: Non Conformance
NGO	: Non-Government Organizations
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
PK	: Palm Kernel
POM	: Palm Oil Mill
PPE	: Personal Protective Equipment
R&D	: Research and Development
RaCP	: Remediation and Compensation Plan
RKL	: <i>Rencana kelola lingkungan</i> (Environment Management Plan)
RPL	: <i>Rencana pemantauan lingkungan</i> (Environment Monitoring Plan)
RSPO	: Roundtable on Sustainable Palm Oil
RTE	: Rare, Threatened and Endangered
SIA	: Social Impact Assessment
SCCS	: Supply Chain Certification System
SOP	: Standard Operating Procedure
SSU	: Soil Sampling Unit
UKL	: <i>Upaya kelola lingkungan</i> (Environment Management Plan)
UPL	: <i>Upaya pemantauan lingkungan</i> (Environment Monitoring Plan)
WHO	: World Health Organization
WTP	: Water Treatment Plant
WWTP	: Wastewater Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT				
1.1 Assessment Standard Used		<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill)</i> 		
1.2 Organisation Information				
1.2.1	Organisation name listed in the certificate	PT ANJA Sia's subsidiary of PT Austindo Nusantara Jaya Agri.		
1.2.2	Contact person	Antoperis Tarigan		
1.2.3	Organisation address and site address	RSPO registered company: Wisma BII Lt. 7 - Diponegoro street No. 18, Medan. Jakarta: Atrium Mulia, 3A Floor, Suite 3A-02 Jl. H.R. Rasuna Said Kav. B10-11 Jakarta 12910, Indonesia Tel. (62 21) 2965 1777 Fax. (62 21) 2965 1788		
1.2.4	Telephone	+62-21-2965 1777		
1.2.5	Fax	+62-21-2965 1788		
1.2.6	E-mail	antoperis.tarigan@anj-group.com		
1.2.7	Web page address	www.anjagri.com		
1.2.8	Management Representative who completed the application for certification	Mulkan Nasution (General Manager) +62-21-29926000		
1.2.9	Registered as RSPO member	1-0032-07-000-00 27 February 2007		
1.3 Type of Assessment				
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base : <ul style="list-style-type: none"> • ANJA Sia's POM, Lembah Subur Utara Estate, Lembah Subur Tengah and Lembah Subur Selatan Estate. For the next assessment the scope will be came two (2) estate consist of Lembah Subur Utara Estate and Lembah Subur Selatan Estate.		
1.3.2	Type of certificate	Single		
1.4 Locations of Mill and Plantation				
1.4.1	Location of Mill			
	Name of Mill	Location	Coordinate	
			Latitude	Longitude
	ANJA Sia's POM	Pardomuan Village, Sub District of South Angkola, Distirct of South Tapanuli, Province of Sumatera Utara.	N 01° 10' 29.29"	E 99° 09' 22.85"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Lembah Subur Utara Estate	Pardomuan Village, Sub District of South Angkola, Distirct of South Tapanuli, Province of Sumatera Utara.	N 01° 11' 44.68"N	E 99° 06' 52.45"
Lembah Subur Selatan Estate	Pardomuan Village, Sub District of South Angkola, Distirct of South Tapanuli, Province of Sumatera Utara.	N 01° 07' 21.50"	E 99° 09' 40.72"	
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		9,639.06 Ha	
	HGU owned by the company is covering an area of 8,000 hectares and there is an area of 1,639.06 hectares that are in process HGU, besides the whole area has an IUP of 9,639.06 Ha			
	• Community		- Ha	
1.5.2	Area Statement			
	• Total area		9,639.06 Ha	
	• Mature area		7,911.62 Ha	
	• Immature area		- Ha	
	• Mill, Housing and Infrastructure (Bridge and Road)		87.62 Ha	
	• Occupation		- Ha	
	• HCV		1,639.82 Ha	
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Lembah Subur Utara Estate	Lembah Subur Selatan Estate	Total
	2005	525.16	-	525.16
	2006	3,318.09	-	3,318.09
	2007	265.18	1,074.54	1,339.72
	2008	-	1,574.82	1,574.82
	2009	-	1,153.83	1,153.83
	TOTAL	4,108.43	3,803.19	7,911.62
1.6.2	New Planting area after January 2010		-	Ha
1.6.3	Planting Cycle		1 nd Cycle	

1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	ANJA Siais POM	60	247,170.668	54,973.297	22.24	11,546.022	4.67
	<i>*Source: processing data July 2015 to June 2016</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/ year)	%
	Lembah Subur Utara Estate	2,315.72	2,281.95	54,758.53	23.99	54,758.53	100
	Lembah Subur Tengah Estate	4,065.01	2,665.82	63,106.59	23.67	63,106.59	100
	Lembah Subur Selatan Estate	3,258.33	2,964.45	72,544.76	24.47	72,544.76	100
	TOTAL	9,639.06	7,912.22	190,409.88	24.06	190,409.88	100
	<i>*Source: production data July 2015 to June 2016</i>						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	UD Boru Namora (Non Certified)	Independent	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	5,060.547			
	CSR-Janji Matogu (Non Certified)	Independent	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	8,925.252			
	Transit Tank Pargarutan(Non Certified)	Independent	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	30,066.610			
	Syarifuddin Dalimunthe (Non Certified)	Independent	Tapanuli Selatan District, Sumatera Utara Province, Indonesia	13,178.178			
	TOTAL			57,230.587			
	<i>*Source: production data July 2015 to June 2016</i>						
1.7.4	Product categories			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 25 September 2015 to 24 September 2016 (ton/year)		Actual certified product 25 September 2015 to 19 July 2016 (ton/year)	
	• FFB Production			195,461		148,032.56	
	• CPO Production			43,002		32,654.19	
	• Palm Kernel (PK) Production			7,818		6,874.175	

1.8.2	Estimate of Certified FFB Claim						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Lembah Subur Utara Estate	4,267.28	4,108.43	104,765	25.50		
	Lembah Subur Selatan Estate	5,371.78	3,803.19	98,883	26.00		
	TOTAL	9,639.06	7,912.22	203,648	25.99		
	<i>Estimated data Period 25 September 2016 to 24 September 2017</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	ANJA Siais POM	60	203,648	45,821	22.50	9,164	4.50
	<i>Estimated data Period 25 September 2016 to 24 September 2017</i>						
1.9	Other Certifications						
	Others			ISPO certificate from Mutuagung Lestari No: MUTU-ISPO/037			
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	
	MILL	Time Bound Plan					
	ANJA SIAS PT ANJA SIAIS	2014	Lembah Subur Utara	2014	South Tapanuli District, North Sumatera Province, Indonesia	Certified	
			Lembah Subur Tengah	2014		Certified	
			Lembah Subur Selatan	2014		Certified	
	Jangkang PT.Sahabat Mewah Makmur	2009	Jangkang	2009	East Belitung District, Bangka Belitung Province, Indonesia	Certified	
			Balok	2009			
			Ladang Jaya	2009			
			Sari Bunga	2009			
			Air Ruak	2009			
	PT. ANJ Agri	2012	Estate Wilayah Timur	2012	Simangambat Julu Village, Simangambat Sub district, Padang Lawas Utara District, North Sumatera Province	Certified	
			Estate Wilayah tengah	2012			
			Estate Wilayah Barat	2012			
	PT.Kayung Agung Lestari	2016	PT.Kayung Agung Lestari	2016	Ketapang Distict, West Kalimantan, Indonesia	Stage 02	
	-	-	PT.Galempa Sejahtera Bersama	2019	Empat Lawang Distict, South Sumatera, Indonesia	NPP	
	-	-	PT.Putera Manunggal Perkasa	2019	South Sorong District, West Papua, Indonesia	NPP	
	-	-	PT.Permata Putera Mandiri	2019	South Sorong District, West Papua, Indonesia	NPP	
	<i>Data source: Progressive timebound plan certification activity of PT ANJ Agri"</i>						

1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard.
	PT ANJA Siais did not have scheme smallholders

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-2	<ol style="list-style-type: none"> Ardiansyah (Lead Auditor). Bachelor of Forest Resources Conservation, Department of Forestry, Bogor Agricultural University. He has followed several activities for identified environmental impact such as preparing EIA document for plantation and plantation forest. He has followed several trainings namely: Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Diameter, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and mapping for land cover analysis. Several times following audit activities related to sustainable palm oil certification system as a lead auditor and an auditor. During this audit, he assigned to verify legal aspect, HCV, new development and SCCS. Leonada (Auditor). Bachelor of Agriculture, majoring of Agronomy and minor in Plant Breeder and seed technologies, Agriculture Faculty of Bogor Agricultural University. Over five years working experience at oil palm Plantation Company in Indonesia and followed several trainings namely: Auditor Indonesian Sustainable Palm Oil (ISPO), awareness RSPO, Lead Auditor ISO 9001:2008 (Management System Certification), ISO 14001:2005 (Environmental Management System Certification), Management Development Program Agronomy, analysis base solution for operation, Plantation Integrated Pest Management training, Training of the limited pesticide usage (pesticide commission), training of pesticide and fertilizer waste management, resolution conflict training, training of OHS Specialist and OHS Auditor (SMK3). Currently he worked as an auditor at Certification Body. During this audit, he assigned to verify of workers welfare aspect and OHS. Andi Pratama Pasaribu (Auditor). Bachelor of Agriculture, Social Economic of Agriculture (Agribussines) department, Jember University. 5 years experience in oil palm plantation and several training were followed Indonesian Sustainable Palm Oil (ISPO) auditor training course, management system ISO 9001-2008, Awareness ISO 22000. During this audit, he assessed best management practices, integrated pest management aspects, long term plan and transparency. Steve Mualim (Auditor). Master in Environmental and natural resources management, Bogor Agricultural University. He has worked as a freelance in several consultant in the Environmental Impact Assessment. He has followed training of Lead Auditor training ISPO, RSPO awareness, Ecological Risk Assessment, Asian Network Update, Carbon and Climate Change Mitigation and Adaptation for Agricultural Productivity, Auditor/Lead auditor Management System Certification (ISO 9001-2008). During this audit, he assigned to verify environmental aspect and social impact assessment.
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-2	<p>Number of auditors: 4 auditor</p> <p>Number of days for Surveillance-4 at site: 4 days</p> <p>Number of working days for Surveillance-4 at site: 16 Working days</p>
2.2.2	Assessment Process
ASA-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. ANJA Siaia to the requirements of RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-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-3). All information obtained was</p>

recorded in Check List of PT Mutu agung Lestari (MUTU) and part of assessment report.

The assessment program please find Appendix 2

2.2.3 Location of Assessment
ASA-2

Scope Surveillance-2 is ANJA Siais POM, Lembah Subur Utara Estate and Lembah Subur Selatan Estate. The sampling location is done by using the formula $(0.8 \sqrt{Y})$, Y is number of estate that is in the PT ANJA Siais. Total sampling at PT ANJA Siais is two (2) estate that is Lembah Subur Utara Estate and Lembah Subur Selatan Estate. Then, in order to balance the information the auditor also visited villages around PT ANJA Siais.

Lembah Subur Utara Estate

1. **Block I13, Division 3.** Observation HGU boundary pole No. 18
2. **Block K20, Division 4.** Observation HGU boundary pole No. 23
3. **Block I24, Division 4.** Observation HGU boundary pole No. 78
4. **Block H20, Division 4.** Observation HGU boundary pole No. 81
5. **Composting, block J23 Division 4.** Observation compost application.
6. **Chemical weeding, block J27 Division 4.** Observation and interview with chemical applicator regarding to chemical weeding procedures, safety herbicide application, PPE usage, ex herbicide jerry management and payments.
7. **Harvesting, block I21/22 Division 3.** Observation and interview with harvester and harvesting supervisor regarding to harvesting procedures, payments, PPE usage and knowledge about company's policy, animal protection and conservation area.
8. **Owl sanctuary, Block F10 Division 2.** Observation of rat control by using owl (*Tyto alba*) as natural predator.
9. **Subsidence pole, Block G12 Division 2.** Observation of peat subsidence monitoring by using subsidence pole periodically every 6 month.
10. **Conservation area in Riparian of Paraupan River.** Observation conservation area through prohibition of chemical applications, prohibiton if hunting, and reforestation along the riparian area.
11. **Boundary Pole No. 078, Block I25 Division 4.** Observation of maintenance border area marking.
12. **Boundary Pole No. 023, Block K21 Division 4.** Observation of maintenance border area marking in Paraupan Riverside. The boundary pole can not be observed due to flood.
13. **Boundary Pole No. 080, Block H21 Division 4.** Observation of maintenance border area marking.
14. **Boundary Pole No. 018, Block I13 Division 3.** Observation of maintenance border area marking.
15. **Rinse house for spray team.** Observed the washing of working tools, PPE spray teams and used pesticide containers handling.
16. **Hazardous Waste Storage.** Observed the hazardous waste storage licensed and completeness of the building such as waste balance sheets, symbols and labels, the availability of fire extinguisher and emergency wash.
17. **Chemical Warehouse.** Observation of fertilizer and pesticide storage area, equipped with pallets, symbol and MSDS.
18. **Fertilizer store.** Observation for hazardous management, waste management and EHS.
19. **Diesel fuel tank.** Observation for EHS, and hazardous/toxic materials management.
20. **Central Housing.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
21. **Landfill.** Observation for domiestic waste management
22. **Clinic.** Observation for hazardous waste management and employee health care.
23. **Fire extinguisher equipment store.** Observation for emergency responses and facilities

Lembah Subur Selatan Estate

24. **Block O35, Division 6.** Observation HGU boundary pole No. 32
25. **Block O37, Division 6.** Observation HGU boundary pole No. 33
26. **Block O49/50, Division 8/10.** Observation management of HCV area in form of Aek Rundung Riparian
27. **Block K/L34, Division 5.** Observation management of HCV area in form of 50 Ha natural vegetation (forest) and Sibara-bara Riparian
28. **Block O/P44, Division 8.** Observation management of HCV area in form of 100 Ha natural vegetation (forest).

	<p>29. Batang Gadis Riparian. Interview with local people at riparian related to agreement with the company to conserve riparian.</p> <p>ANJA Siais POM</p> <p>30. Security Post. Observations and interviews related to the examination of vehicles in and out of the mill, workers' understanding of the procedures, SCCS and prosperity of workers.</p> <p>31. Weight Bridge. Observations and interviews related to the process of weighing, administrative examination and documentation of separation between certified and non-certified products.</p> <p>32. Loading Ramp. Observations and interviews on how grading, sampling up to the criteria in grading FFB.</p> <p>33. Process Station. Observations and interviews with employees in relation to the processing of FFB into crude palm oil (CPO), the understanding workers concerned SOP, fire emergency at the mill, first aid kit, implementation of OHS, the facilities provided by the company, the training which has given the company and employment.</p> <p>34. Enginee Room/Turbine. Observations and interviews with relevant operator about fuel efficiency, understanding related workers SOP, fire emergency at the mill, first aid kit, implementation of OHS, the facilities provided by the company, medical check up, training that has given the company and employment.</p> <p>35. Boiler Station. Observations and interviews with relevant operator, understanding related workers SOP, fire emergency at the mill, first aid kit, implementation of OHS, the facilities provided by the company, medical check up, training that has given the company and employment</p> <p>36. Workshop. Observasidan interviews related to the competence of workers, medical check up, implementation OHS and waste management.</p> <p>37. Hazardous Waste Storage. Observed the hazardous waste storage licensed and completeness of the building such as waste balance sheets, symbols and labels, the availability of fire extinguisher and emergency wash.</p> <p>38. Chemical Warehouse. Observation storage and chemical management activities.</p> <p>39. Hydrant. Observation emergency response procedure.</p> <p>40. Water intake, Sungai Paraupan. Observation water source for mill.</p> <p>41. WTP. Observation of water treatment activities and the use of chemicals.</p> <p>42. WWTP. Observations and interviews related to the management of the WWTP effluent ponds and wastewater pond conditions.</p> <p>43. Composting area. Observation and interview related to EFB management and leachate water.</p> <p>44. Mill Drainage. Observation management of water drainage at mill.</p> <p>45. Collecting place of EFB. Observation related to EFB management and leachate water</p> <p>Stakeholder Consultation</p> <p>46. Institutions of governance (Government Agencies of Tapanuli Selatan District consisting of the Environment Agency, Manpower Agency, Plantation Agency, National Land Agency). Interviews related to regulatory compliance, the issue of environmental pollution, land conflict issue and company contributions to the area.</p> <p>47. Surrounding villages (Pardomuan Village, <i>Lorong Laba Lasiak, Lorong Dolok Manunggal, Lingkungan Janji Matogu</i>). Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-2	<p>Consultation of stakeholders for PT ANJA Siais was held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com on 4 July 2016. 2. Consultation meeting and interview with government agencies in Tapanuli Selatan District (plantation agency, manpower agency, national land agency and environment agency) on 18 – 19 July 2016 3. Consultation meeting and interview with locals of the nearby village (Pardomuan Village, <i>Lorong Laba Lasiak, Lorong Dolok Manunggal, Lingkungan Janji Matogu</i>) on 19 July 2016. 4. Consultation meeting and interview with Internal Stakeholder (labour union, gender committee, cooperative and contractor local) on 25 April 2016.

	5. Consultation with NGO Conservation International on 12 July 2016 Numbers of input from stakeholders were clarified by PT ANJA Siais.
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-3) will be planned 9 to 12 months after ASA-2 assessment (April to June 2017).

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of ANJA Siais POM – PT ANJA Siais, PT Austindo Nusantara Jaya Agri operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were four (4) Nonconformities were assigned against Major Compliance Indicators, two (2) nonconformities were assigned against Minor Compliance Indicators, and eleven (11) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidences e.g. document records. Those corrective actions taken that consist of four (4) Major non-conformities and two (2) Minor non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that ANJA Siais POM – PT ANJA Siais, PT Austindo Nusantara Jaya Agri complied with the requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production on April 2013 and Supply Chain Requirement for CPO Mill, November 2014.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
1.1.1	<p>The company has the list of stakeholder for PT ANJ Agri Siais on 2015 that was signed by the Head of Assistant on March 1st 2015. There were 60 stakeholders on the list which cover the name, agency, position and telephone number. The 60 stakeholders are consisted of government officials, village and hamlet's government apparatus, school principal, police station, contractor, community, etc.</p> <p>The company has been conducted stakeholder meeting on June 2nd 2016 that attended by internal stakeholder (LKS Bipartit, cooperation and gender committee) and external stakeholder (government agency, head of community, NGO, local contractor etc) total 67 attendance. Material presented about company profile, vision and mission, company's ethics and long term program. The company also given the attendance the opportunity to ask the management representative.</p> <p>The company has the record of information request which is documented on the logbook of communication and information provision for external (Document No. FRM – SOP Leg 02-02, rev. 01/01, dated April 1st 2013). It is monthly updated and it describes the date, letter number, sender, purpose, terms, date of information response and notification.</p> <p>The company also has SOP of documentation system (Document No. SOP-SCD-01, rev.01/03 dated November 10th 2014). According to the SOP, there was a document management which cover the level of document legalization, department code, document code, document identity, document control, record control, completeness of document information and document numbering system. The record's retention control are maintained based on the company's need. The record that has to do with finance and taxation is maintained for at least 10 years. The record that has to do with certification system is kept for the period</p>	

of certification. For example, RSPO certificate for at least 5 years.

Based on public consultation, the company has shown evidence of information requested response from labour agency. For example, work accident report of employee (initial SS) on July 22nd 2016. Receipt report from Labour and Transmigration Agency of Tapanuli Selatan District attached.

1.1.2

The provision of information mechanism to the stakeholder explained in SOP communication and provision of information (Document number: SOP-Leg-02 dated April 1st 2013). Its SOP aims to set the two-way communication system, delivery of information process and to set the filtering information from the company to the employee or third party.

According to the SOP of communication and information response No. SOP-Leg-02 dated April 1st 2013, the follow up of the incoming letter and proposal shall be given to GM and External Relation Manager at least 3 days since its arrival. It will be processed for at least 3 months. If there is no response from the management for more than 3 months, if there is no response from the management then the external relation officer shall directly inform the concerned party that the proposal or request for company participation is refused by the company. The external relation officer is responsible to communicate to the external party in term of the rejection or approval of the proposal orally and written and updating the status updating program on the logbook of communication and provision of information for external. Based on communication log book verification per June 2016, all incoming letter has been responded.

However, Not yet available evidence of providing adequate information on issues relevant to RSPO Criteria to stakeholders.
Nonconformity No. 2016.01

1.1.1	Status: Nonconformity No. 2016.01 with minor category
-------	--

1.2

Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

1.2.1

The company has determined the publicly-accessed documents on the SOP of communication and information provision (Document No. SOP-Leg-02, Revision 4 dated April 1st September 2015). The SOP described in detail the type of information that can be shared to external. The mean of information provision to the external party included the company document that can be publicly access by external with management approval. The description over the document access is explained as follow:

Internal Information

All information that have to do with the company given to the employees with no condition. For example, the company's policy, company's operational and the documents that have to do with manpower, environment, etc.

External Information

All information that have to do with the company without exception whether oral nor written given to the third parties like government, NGO, media and community. For example, the documents related to social, manpower, environment and OHS.

Classified Information

All information that have to do with the company without any exception which contains important information cannot be shared with all stakeholders since its character and function is considered have a big impact to the business sustainability and company policy. For example, the document related to human resource, legal and cooperation.

Beside that, the company fully guarantee of confidentiality of the messenger (whistle blower) who delivered a secret communication to the company both secret or not.

Based on public consultation to the surrounding village (Lorong Laba Lasiak and Lorong Dolok Manunggal) that known the company has informed the publicly-accessed information to stakeholders.

Status: Comply

1.3
Growers and millers commit to ethical conduct in all business operations and transactions.
1.3.1

The company has the document of business ethic code dated January 1st 2014. According to the document, the company shall comply all the applied laws and regulation in Republic of Indonesia and the company's operational area, especially the substance and essence of the laws.

PT ANJA Siais shall keep the commitment to implement the ethic code as described on the guideline as an act of loyalty as a good citizen. There was a statement of the protection and guardiance over the company's asset. The employees must use the company's fund carefully as if spending their private fund. The company expects that the employees shall not get the benefit of the business travel program financially. The employees are not allowed to approve the report of cost nor business travel nor entertainment for their own spent.

The ethic code was composed in bahasa Indonesia which was understood by all parties. The ethic code has been socialized on:

- Training report of ANJ Value Workshosp program dated October 1st – 3rd 2013. The training explained the information on socialization as mentioned within compame ethical code. The training. It was attended by 96 employees.
- Ethics code socialization on July 20th 2016 during the morning call before the employee start to work.

During the audit, auditors has interviewed several employee regarding to the company's ethics policy. All employee who interviewed can explain about the company's core value such as integrity, respect for people and the environment and continuous improvement.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS
2.1
There is compliance with all applicable local, national and ratified international laws and regulations.
2.1.1; 2.1.2

The Company has all up date and applicable laws and regulations list in period 2016 full with copied document. That documents available in estate and mill offices including copied of new regulations such as Governor decision Number. 188.44/45/KPTS/2016 about minimum wage in Province of North Sumatera. Procedure to make sure implemented regulations is draw at "Evaluasi Pemenuhan Peraturan" Procedure (Dok SOP Leg-01, Edisi 01, Rev 03) 30 March 2015.

2.1.3; 2.1.4

Laws and regulations list evaluated by Legal Department annually in every year using some method like direct requested to government agency or identification on formal website. That list then be informed to External Relation Officer in every unit management. External Relation Officer responsible to evaluated all laws and regulations implementation in every year and distributed to all estate and mill manager. According to interview with management known that manager understand about this procedure and commit that laws and regulations be evaluated annually in every year.

Status: Comply

2.2
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.
2.2.1

The company has had the land rights in the form of Land Use Title (HGU) for an area of 8,000 hectares which consist of one certificate. Based in document review and field visit known that management unit has manage a area of 9,639.06 Ha. The process of HGU for 1,639.06 Ha, at this time is to complete the fires verification on that area. The fires verification has been conducted on 28 January 2016 and the result has been send to National Land Agency in Jakarta on 25 February 2016. The process of HGU will be observed on next surveillace (OFI).

Based on re-measurement of HGU known that there are oil palm planting outside the HGU for an area of ± 110 Ha. The oil palm planting outside the HGU has been reported by management unit to government institution to found resolution. Based on minutes of meeting on 6 April 2016 which followed by BPN, Tapanuli Selatan Regent and districts government known that PT ANJA Sia's asked to do stanvas and coordinate with Ministry of Environment and Forestry. The resolution process of oil palm planting outside the HGU will be observed on next surveillace (OFI).

2.2.2

Management unit have conducted monitoring of boundaries pole every 6 months. The monitoring results for Semeter 1 of 2016 showed that the entire poles (93 poles) are in good condition. A field visit in Lembah Subur Utara Estate and Lembah Subur Selata Estate showed that Boundary Pole No. 18, 23, 32, 33, 78 and 81 are in a well-maintained condition.

2.2.3; 2.2.4; 2.2.5 & 2.2.6

The consultation results with Government Institution of Tapanuli Selatan Districts and the communities of Pardomuan Village known that there was no dispute / conflict of land between the companies significantly. Field visit and document review also shows that there was no dispute / land conflict in operation area of PT ANJA Sia's. The company has had procedure of handling differences in opinion with community and land ownership disputes which explain the company committed to prohibit and/or not use mercenaries and para-militaries in operation area.

Status: Comply

2.3

Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

2.3.1; 2.3.2; 2.3.3 & 2.3.4

Land tenure for the management unit within the scope of the audit was State land and community land that has been made compensation at the early of plantation project. The evidence of land compensation from community has documented completely and stored by legal department. Interview with public figure of Pardomuan Village known that the land compensation at the early of plantation project was conducted without coercion and there are no indigenous lands.

Document review, field visit and interview shows that since the ASA-1 until ASA-2, the company does not perform are expansion.

Status: Comply

PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

There is an implemented management plan that aims to achieve long term economic and financial viability.

3.1.1

The company has set the long-term financial plan in the document of Financial Projection 2016 – 2019. The document describes:

- Income statement (area mature/immature, FFB production, FFB purchase, yield, extraction of CPO and PK, CPO production, production of kernel, sales CPO, sales kernel)
 - Total sales
 - Total estate expensive
 - Total cost of goods sold
 - Operating profit
 - Profit before tax
 - Profit after tax
 - Cash flow (total income before tax, total estate capital, total capex, cash available for debt and shareholder, net cash flow, opening balance and closing balance)
- In detail, has also drawn the estimated production per year following planting productivity per hectare (yield) to 2022.

All planting material that planted produced from certified seed producer. It consist from Costarica, Lonsum and Socfin and distribution of planting mapped in the adequate scale. Annual production evaluated annually and compared with the budget.

The company has shown his financial capability in the form of taxes payment and employees payroll. Company's financial record has been audited by public accountant Osman Bing Satrio & Eny that stated the report of financial ended on December 31st 2015 is fair.

3.1.1

Based on hectare statement, the old tree were planting year 2005 which is 11 year old. Therefore, there is no replanting plan in the next 5 year.

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers

4.1

Operating procedures are appropriately documented and consistently implemented and monitored.

4.1.1

PT. ANJ Siais has had agronomy procedure documented on the SOP of Agronomy which was legalized on August 1st 2013 based on the letter No. 07/AGR/IM/IA/08/13. It was signed by the Chief Executive Officer and Estate Director. SOP of Agronomy is consisted of 28 part an 8 part of working instruction consisted of the procedure of blocking, land clearing, nursery, planting, manuring, soil and leaf analysis, harvest, IPM, FFB census to replanting program. The procedure of FFB processing stage at mill is also consisted procedure from FFB receipt station, grading, processing stage to CPO and PK dispatch.

Master list of SOP Agronomy handled by Head of Research and Development, while SOP of Processing handled by Head of Engineering. However, all SOP document controlled by General Manager Admin and SOP Management Compliance. SOP supply chain listed in compilation of SOP Sustainability. It SOP among other:

- SOP Product Traceability (SOP – SCD – 05) approved on October 22nd 2014.
- SOP Mass Balance (SOP – SCD – 06) approved on October 21st 2014.

Based on interview with field staff and document observation, the latest updated of agronomy and processing SOP has been distributed to all units in estate or mill and composed in Bahasa Indonesia which was understood by all employee level. All SOP covering all operational activity in estate or mill and still relevan with operational activity nowadays.

The company has socialized SOP annually in training program. For example, refreshment training for chemical applicator and PPE usage 2016 which held on February 15th 2016 in Division 11 that attended by 8 employee.

4.1.2

Internal audit has been held annually in estate and mill. Agronomy internal audit consist quality of harvesting, FFB transport, tree condition and integrated pest management has been held on February 2016 based on audit report No: 01/QA/ANJA Siais/Februari/2016. Mill internal audit also held on February 2016 according to audit report No: 01/QA Mill/ANJA-Siais/Februari/2016.

The company through all supervisor always monitored operational activity. For example, daily harvesting check that conducted by harvesting supervisor to ensure no fruit or bunch losses in circle and path.

4.1.3

Corrective evidence of internal audit has implemented and documented in internal audit response document. All corrective action saved and will verified by the auditor in the next assessment.

Whole activity in estate or mill documented every day in daily report. For example, harvesting report in estate contains data of harvesting blocks, hectar area, harvesting bunches, delivered bunches, undelivered bunches, amount of loose fruit, amount of harvester, amount of picker, total tonnage and average bunch weight. In daily mill report also documented processing activity of received FFB, unprocessed FFB, total FFB processed, CPO produced, extraction rate (OER and KER) and throughput.

4.1.4

ANJA Siais POM receive FFB from own estate and third party. Entire FFB receiving have been documented based on daily, such as report on 30 June 2016 shows that FFB received from Lembah Subur Tengah Estate, Lembah Subur Utara Estate,

Lembah Subur Selatan Estate, CSR Janji Matogu, UD Riri and Bn Namora. But the company can not show the SOP for third-party FFB sourcing. Based on the explanation found **Nonconformity No. 2016.02 with Major category.**

4.1.4 Status: Nonconformity No. 2016.02 with Major category

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

4.2.1

SOP Agronomy consisted procedure for managed soil fertility through marginal soil management, planting LCC, manuring, fertility analyzed through LSU and SSU and weeding.

R&D department set the fertilizing recommendation based on LSU and SSU analyzed report. They also set the work instruction of anorganic fertilizer and compost. Current compost dosage is 150 kg/tree. Based on field observation in block J23 Division 4, compost application has well implemented according to work instruction.

4.2.2

Manuring report documented in manuring program and realization document. Program and realization 2016 that showed manuring has comply with the recommendation. For example, Urea application with recommendation dosage 0,50 kg/Ha has implemented according to the recommendation.

Daily report of manuring was one of operational document that documented by division clerk based on manuring supervisor report. Fertilizer dosage based on recommendation that set by Research and Development Departement (R&D) annually. All document also noted into the estate administration system (TD Plant) and can accessed real time.

4.2.3

Soil sampling and leaf sampling activity has set in SOP of Leaf Sampling Procedure (SOP-AGR-23) and SOP of Soil Sampling Procedure (SOP-AGR-26) Both activity conducted by third party. The soil and leaf analysis was conducted by the third party of PT. Nusa Pusaka Kencana Analytical & QC Laboratory (Asian Agri Grup). The soil analysis is conducted once every 5 years and the leaf analysis is conducted annually. The latest soil analysis was conducted on April 21st 2013 as written on the document of Soil Analysis Report (Ref No. 018/RD-EXT/S/MAR/14). The result was released on April 30th 2013. The analyzed parameters were N, C-Organic, C/N Ratio, H₂O, KCl, Mg, K, total H₂SO and HClO₄. The latest leaf analysis (foliar analysis report) was conducted on May 5th 2014 based on the document of Ref. No. 132/RD/EXT/L/MEI/14 and the result of analysis was released on may 9th 2014. The analyzed parameters were Ash, N, P, K, Mg, Ca, B, Cu and Zn.

The function of routine soil and lead analysis was to determine the chemicals ingredient of leaf and soil more accurately. Based on the data, the ingredients needed by the plants to optimally produce whether from organic or anorganic manuring can be known. Furthermore, Head of R&D will set manuring recommendation based on soil and leaf analyze result.

4.2.4

Since 2016, the company does not applied EFB due to composting program. The company only applied compost which is produced from processing/mixing EFB and POME for a few time. Compost application in field refer to Work Instruction Compost Application that approved by Estate Director (IK-SOP AGR 11 – 07 applied since March 1st 2016). Based on that document, application dosage is 150 kg/tree and applied in conjunction with organic fertilizer (Mycoriza).

During the audit, compost application in LSS has reached 825.13 ton (82.16 Ha) and 7,575 ton (805.23 Ha).



Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.
4.3.1

PT ANJA SIAIS has made marginal soil map in form of the slope class more than 40% and the peatland area in scale 1:65,000 with the distribution as follow:

a. Distribution of land slope within PT ANJA SIAIS area

Slope class	Hectarage (ha)	%
0 – 8%	7,824.19	81.17
8 – 15%	40.33	0.42
25 – 40%	220.30	2.29
>40%	1,544.18	16.29
Total	9,639	100

b. The peatland of PT ANJA SIAIS is 5,665.22 Ha. Meanwhile, the rest is the mineral soil (3,973.78 Ha). Based on document verification, the map quite informative and adequate.

4.3.2

SOP of marginal land management (SOP-AGR-06) has approved since August 1st 2013. It set the strategy of marginal land management, for example planting leguminosae especially in sandy area and EFB application.

The company has had SOP of soil and water conservation revision (SOP – AGR – 05 3rd revision) that approved by top management on April 1st 2016. The land with slope class more than 40% is determined as conservation area. But, area with slope less than 40% can be planted with land strategies such as:

- Individual terrace on slope more than 15%
- Continous terrace on the slope and very slope area.
- Trench digging on the lowland.
- Planting of *Vetiver grass* and *Guatemala grass*. According to the field visit, the company has planted *Vetiver grass* and *Guatemala grass* at the main road edge and main trench edge. During the audit, the company has shown *Vetiver grass* and *Guatemala grass* has been planting in the edge of main canal.

The company has managed peat land by using water management system. It consisted main canal, secondary canal, stop bund, water stick, subsident pole and trenches management. Based on field observation, there are several water management instruments has visited. For example, water gate in block J22, stop bund in each canal and subsident pole. The water level is maintained between 50 Cm – 70 Cm. Based on subsident pole data in 10 point known that peat subsident since 2013 in between 2.6 cm – 16,36 cm.

4.3.3

Road maintenance program has planned in management plan 2016 and divided in 3 items as follows:

- Road grading
- Road hardening
- Road elevating

Based on road maintenance data from civil engineering department shows:

Work item	Planning (meter)	Realization (meter)	Percentase (%)
Road grading	801.000	303.100	38
Road hardening	9.504	3.480	37
Road elevating	11.500	-	-

Road maintenance data well documented in daily report of civil engineering department.

4.3.4

PT. ANJA SiaIs has composed SOP of peatland (Document No. SOP-AGR-004 revision 03 dated August 1st 2016). It describes the construction of drainage system (main drain, collecting drain and field drain). Beside that, it also completed with work instruction as follows:

1. Work instruction of water level monitoring and soil subsidence (IK-SOP OPR 004 – 001) approved since June 1st 2013.

2. Work instruction of water management (Watergate, overflow, stop bund, piezometer, subsidence pole and water level) approved since June 1st 2015.

Guidance above has been synchronize with current regulation in Indonesia. It has well implemented. As example, subsidence monitoring has conducted every semester.

The company has implemented several strategy to maintain water level. Based on the procedure, water level should in 50 – 70 cm under the soil level. To reduce green house gasses in peat, the company has planted legume as cover crop in the early land clearing. During the audit, it legume has reduced parallel with tree canopy that closed.



4.3.5

The old tree was planted in 2005 (15 year old). Therefore, there was no drainability assessment before replanting.

4.3.6

Land marginal management strategy refer to SOP or work instruction. For example, manuring, soil/leaf sampling and compost application.

Based on marginal land map above, land marginal that identified only peat land. Therefore, land strategy that implemented were water management (Watergate, overflow, stop bund, piezometer, subsidence pole and water level). All monitoring instrument were monitored and well documented.

Status: Comply

4.4

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

4.4.1

All of water sources identification and management plan are listed on 2016 water management document. Based on field visits on blok L29 and paraupan river at lembah subur selatan estate found that companies managed peat land by maintaining water level at 50-70 cm. For water courses, companies also have marked buffer zone, perform revegetation with mahogany, and signboard placement.

4.4.2

All management for water courses, peat land, and riparian was done based on soil and water conservation procedure (SOP-OPR-005) and HCV and riparian procedure (SOP-SDD-02). PT ANJ Agri Siais have been identified water courses and wetland based on HCV Assessment and the implementation for those procedure has been explained at 4.4.1 indicators.

4.4.3

Mill effluent produced by ANJ Agri Siais mill processed at waste water treatment plant (WWTP) based on procedure SOP-EHS-008, untill it complying to standards before it distributed into water stream based on decree of environmental agency Tapanuli Selatan Regent No. 596/kpts/2014 valid until November 2017. Effluent has been monitored every months and monitoring period March-June 2016 sighted that all of effluent testing parameters is compliant to the standards quality, for example BOD June 2016 92.4 mg/l (< 100 mg/l). Effluent management was reported and submitted regularly every 3 month to environmental agency of Tapanuli Selatan Regency

4.4.4

Standards of water usage for FFB process recorded on 2016 budget projected 1.55 m³/ton FFB process. Water usage monitoring was done periodically and recorded, for example on June 2016 FFB processe was 27,053 ton, process water usage 38,790 m³, and water usage eficiency was 1.43 m³/tonne FFB process.

Status: Comply

4.5
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.
4.5.1

The company has SOP of IPM (Document No. SOP-AGR-20 dated April 1st 2016). The objective of the SOP was to give the guideline of the implementation of IPM and to reduce the chemical application by using natural predator or biological control.

There is IPM program as written on the management plan 2016. According to the document, the IPM programs conducted by the company are the planting of *Turnera subulata* and *Antigonon leptosus* and development of *Barn Owl Box*. According to the result of interview with the Assistant of Division, the IPM activity was conducted with the stages as follow:

- Pest and Disease detection. It was conducted daily based on the result of monitoring of employees, foreman, staff to the manager that is delivered directly. The result of detection is usually recorded on the field supervisor daily report.
- Pest and Disease census. It was conducted based on the result of pest and disease detection. The general census is conducted by the pest and disease census Officer. The company has determined the census team based on the type of pest and disease. For example, rat census team, palm oil frond leaf eater caterpillar census team, termit census team, *Asiatic rhinoceros* beetle census team and so on.
- Pest and Disease control. Determining the stage of control based on the result of pest census. For example, the biological control is used when the attack rate above 5%. Meanwhile, the attack of termit and *Oryectes rhinoceros* shall be immediately controlled.

According to the observation on the document of pest and disease census during 2015 and per June 2016, there was no rat palm oil frond leaf eater caterpillar attack above the threshold (>5%). Meanwhile, the chemical and biological control over the termit and *Oryectes rhinoceros* has been executed.

Generally, main pest in ANJA Siais were termit and *Oryectes rhinoceros*. The biological way to control *Oryectes rhinoceros* were installed pheromone trap. Therefore, the company also planted *Turnera subulata*, *Antigonon leptosus* and *Casia tora* to controlled caterpillar. To control rat, the company has build 303 unit barn owl box which is 50 unit active and occupied.

4.5.2

The company has conducted integrated pest management training. For example, termit control training on July 6th 2015 attended by 6 termit control officer. The training was held in block G1 Division 1. The same training also conducted on May 7th 2016 in block F12 Division 3. Based on interview with termit control officer, they can describe termit control procedure very well.

Status: Comply

4.6
Pesticides are used in ways that do not endanger health or the environment
4.6.1

The company has had policy regarding to safety chemical usage in SOP chemical usage safety guidance (SOP-AGR-19 approved since August 1st 2013). It set the procedures regarding to safety chemical usage, toxicity, safety storage, mixing suspension, pesticide application, first aid and PPE usage.

Based on document verification, the company used 12 type of pesticide during the last assessment. All type of used pesticides were the allowed and registered ones in Indonesia since it has been registered in Fertilizer and Pesticide Commission in Ministry of Agricultural. However, several type has end of circular permit. Based on field observation and interview with pesticides applicator, all employee has using PPE properly. For example, safety shoes, apron, masker, safety google, rubber gloves and uniform.

Based on document verification, identified there are pesticides that have round out circular permit ended circular permit but still available in chemical storage in estates. The company can not shows purchasing procedures that applied.

Nonconformity No. 2016.3
4.6.2

Based on document verification, toxicity of pesticide usage has documented included active ingredients in Toxicity Pesticides

Usage per Block documents. It recorded and recapitulated monthly by field assistant and approved by Estate Manager before reported to the General Manager. All type of pesticide's toxicity has calculated and recorded.

4.6.3

PT. ANJA Sia's has had integrated pest management document in management plan 2016. It planned several activity regarding that will conducted and monitored. Based on document, pesticide usage has planned to minimize. For example, rodenticide will not be used in area with active barn owl box. The success of biological control is determined by the success of natural predators to control pest. So far, there is no pesticide usage as prophylactic.

4.6.4; 4.6.9

In term of the use of pesticide type 1A and 1B WHO as well as paraquat, the company has a policy that is described on the internal memo from the GM dated May 30th 2013 on the reference letter No. 44/GMO/Sia's/IM/V/2013 in term of the decrease of paraquat use. The policy also explains that the management ask for all staff to reduce the use of restricted pesticide.

Data of paraquat use of PT. ANJA Sia's in last several years is as follow:

Year	Number of Use (liter)
2010	4.657,20
2011	4.535,07
2012	7.414,71
2013	3.687,04
2014	3.298,19
2015	3.039,26
2016 (Juli)	2.887,30
Planned	
2017	2.743
2018	2.606
2019	2.475
2020	2.352

In Indonesia, paraquat classified into limited pesticides which user must be attend limited pesticides training. Regarding to the paraquat usage, the company has facilitate limited pesticide training that held on September 8th 2015 Club House ANJA Sia's. The training has conducted by Local Pesticide Commission and pesticide producer. The company has show several certificate of attendance of pesticide applicator.

4.6.5

The company has had SOP of agrochemicals and pesticide containers waste (No. SOP-EHS-011, rev 01/01 dated November 30th 2009). According to the SOP, there was a mechanism on ex-pesticide containers and the management of rinse water of ex containers of chemicals and pesticide. The safety equipments attached on the SOP were boots, masker, rubber gloves.

During the audit, auditor has interviewed pesticide applicator and supervisor regarding to application procedures and ex jerry handled. All pesticide applicator who interviewed in block J27 Division 4 has known the safety application procedures such as PPE usage, eat and drink during application is prohibited, prohibition to raising nozzle too high and no chemical usage in HCV area.

Safety application method has been socialized by supervisor and field assistant in the muster morning by using Bahasa or local language that easy to understand by all pesticide applicator. During the interview, all pesticide applicator also can demonstrated first aid response if any poisoned case. MSDS has installed in the wall of agrochemical storage and work equipment storage. All equipment prohibited to bring home to minimize contamination risk. Based on document, all pesticide usage has accordance to MSDS. For example, pesticide with active ingredients isopropyl aminaglifosat applicator must be using masker, apron and rubber glove and it was implemented based on field visit.

4.6.6

According to the document review, the company has had the procedure of hazardous waste management such as the

pesticide containers on the SOP of agrochemicals and pesticide containers management (Document No. SOP-EHS-011 dated November 31st 2009). All ex pesticide jerry that produced by operational has well-managed and returning to legal collector and transporter. Manifest of return ex pesticide jerry has shown to the auditor.

4.6.7

The company has had guidance of pesticide usage in work instruction of chemical weeding (a (IK-SOP AGR 17 – 001) approved since May 1st 2015. It described safety pesticide application procedures and ex pesticide jerry management.

4.6.8

Based on interview with estate manager and document verification, auditor concluding that there was no pesticide application from the air.

4.6.10

Hazardous waste including ex agrochemicals containers management was done based on SOP-EHS-011 procedure. Companies showed proper ways for waste disposal for example all ex chemicals containers were kept on hazardous storage at central workshop. Information obtained based on interview are spraying team recognized how to properly disposed waste materials and workers have been trained by company about waste and hazardous materials handling.

4.6.11

The company held employee medical examinations regularly (Cholinestrase and spirometry examinations) for pesticides user according to the list of existing pesticide and fertilizer operators. The result of medical examinations being evaluated by management. According to interview with sprayer in Lembah Subur Utara Estate and Lembah Subur Selatan Estate known that pesticides operators have followed medical examinations regularly include cholinestrase and spirometry examination and also informed the result.

4.6.12

The company has a policy to not allowed pregnant and nursing workers to work which is related to the chemicals. It showed in General manager's Internal memo on 6 September 2012. Pregnant and nursing workers checked in every month by foreman and company's doctor. This is proved at field observation on the spraying activity recognized that the employees have understood the prohibition policy and there are no pregnant or breastfeeding sprayers. If the sprayers are identified were pregnant through a routine check every month, then the employee is moved to the other work that is not related to the pesticides or other chemicals.

4.6.1	Status: Nonconformity No. 2016.03 with Major category
--------------	--

4.7

An occupational health and safety plan is documented, effectively communicated and implemented.

4.7.1

The company has Safety and health policy signed by General manager, President director and head of Bipartite Cooperation Institution on 12 Januari 2015. The policy content such as to decrease work accident and to facilitated a safely work area. The company also has Safety and health procedure (SOP Environment Halth & Safety Doc. FRM-SOP-SDV 01.001 10 August 2015) signed by EHS Officer and EHS Manager. The Policy and procedure have been socialized to all workers and contractors for example in 8 June 2016. According to interview with workers known that they has been informed about that policy and also can showed implementation the procedure like using safety equipment properly and safely work technical.

4.7.2

The Company has conducted the hazard identification and risk assessment covering all work activities. In conducting the hazard identification is considered an accident that occurred in the field to determine the risk assessment and risk control are evaluated every year. The hazard identifiatiion related with Environment Health & safety procedure to actions in case of accident. Based on the results of field visits known that each foreman in the field to understand the working procedures in case of accidents and the instructions in MSDS of each product has been applied to employees

4.7.3

The Company has established health and safety work program for period 2016 included training activities. Each worker is

given training in how to work safely delivered by general safety and health experts, examples of safe working procedures training dated 8 April 2016 was attended by 24 employees. The company also showed evidence that the operators have been trained safety and health such as boiler operators, heavy equipment operators, electricians and welders. Some heavy equipment operators and welders have not been training, but had planned the training year 2016/2017. Companies are encouraged to realize the training program for operators who have not attended the training (OFI).

The Company has also provided safety equipments to employees shown in the example handover safety equipments evidence on 28 June 2016. Based on the results of verification safety equipment procedur No. document CP- HR & GA - 027 is known that safety equipment provided by the company, if damage occurs before the lifetime, employee must repair or replace the APD worth remainder of the age of the APD price. The procedure is not able to ensure the provision of safety equipment to employees if it is damaged, Including not been set related to the use of safety equipment in the workplace companies by workers CPO contractors such as transport workers. It becomes **Nonconformity No. 2016.04 with major category**.

According to interviews with the harvest workers, fertilizer, spraying and pest officers stated that they did not get safety equipment (shoes) from the company. The management also can not show evidence has provided footwear PPE to employees are concerned, where as the use of shoes safety procedure No.SOP SOP - EHS - 016 set that footwear PPE provided by the company. It becomes **Nonconformity No. 2016.04 with major category**.

4.7.4

The company has had a management structure of safety and health organization approved by the Head of the Department of Labor district of South Tapanuli No. 560/468/2016 on March 6, 2016. In the structure that serves as the chief is Mr. Mulkan Nasution and secretary is Mr Binenson Pasaribu who had been trained as general safety and health expert. Safety and health organization meeting conducted regularly once a month to discuss health and safety. Examples meeting on 29 June 2016 to discuss safety index in May 2016 and the anticipated fire.

4.7.5; 4.7.7

The company has the Environment Health & safety procedure No. Documents FRM- SOP – SDV 01.001 effect in August 10, 2015 made by EHS Officer and approved by EHS Manager Dept. In the procedure describes the handling of accidents and emergencies which covers the entire potential of existing emergency. Socialization emergency response to employees as example at July 22, 2016. However, the results of interviews with employees, there are some employees such as weighbridge operators, FFB grading operators and water treatment plant operator are not too understand the emergency response procedures. Companies are encouraged to continue to improve the effectiveness of emergency response related socialization to employees (OFI).

The company has been monitoring workplace accidents and lost time accident analysis for the period 2016. The accident investigation work is carried out as an example dated 8 January 2016. The Company also provides training first aid hosted by the Department of Labor for first aid officers. Monitoring first aid box done monthly as an example in June 2016 at the store station of hazardous waste. However, from the results of field visits in store station of hazardous waste known that some of the tools in first aid box not available such as scissors, flashlight, first aid guide book. Companies can continue to improve monitoring of the use of the contents of first aid equipment so it can be monitored (OFI).

4.7.6

The company provides health care guarantee is shown in the company regulations for period 2015 - 2017. The company also conduct regular health checks at annually and all employees participate in the guarantee program work accidents and health. Based on interviews with employees known that companies provide medical services indicated also by evidence of the results of the medical examination.

4.7.3	Status: Non conformity No. 2016.04 with Major category
--------------	---

4.8

All staff, workers, smallholders and contractors are appropriately trained.

4.8.1; 4.8.2

The Company has established training Need Analysis for entire staff, employees and contractors made by Human resource Officer known by manager and approved by General manager in accordance with the list of staff, employees, farmers and contractors. Training Need Analysis of the company then set up to training programs in 2016 covering all aspects of the RSPO Principles and criteria such as health and environmental risks training. Training regularly given to employees, for example training records in 2016 was a warehouse of chemicals and hazardous waste on 9 July 2016. Based on interviews with employees and contractors known that employees and contractors in general have been getting training organized by company.

Status: Comply

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity

5.1

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

5.1.1

PT ANJA Sia's unchanged the total area, activities and mill capacity, so environmental document that use is the old one. The company possess two Environmental Impact Assessment (EIA) document covering different area consist of ANDAL on 2003 and UKL-UPL on 2009. Both the EIA documents explained all activities for pre construction, construction, operation, and post operation covered the palm oil mill, lembah subur utara estate, and lembah subur selatan estate and the assessment was done by including stakeholder consultation.

5.1.2

On 2015 companies has develop a new composting plant, regarding to this PT ANJ Agri Sia's possess another EIA (UKL-UPL for composting plant in 2015). Timetable for the implementation of the management and monitoring has been provided within implementation report of RKL/RPL.

5.1.3

Company has planned which includes monitoring protocol outlined in the RKL-RPL document and implemented to monitor the effectiveness of the management activities to mitigate negative impact and enhance positive impacts. Review of the plans has been developed on July 2016 and results of monitoring for semester 1 of 2016 will be incorporated into semester 2 monitoring plan. Ensuring the implementation reports of the RKL-RPL in accordance with environmental documents (OFI).

Status: Comply

5.2

The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced

5.2.1

The Company has been conducted HCV assessment for the entire area of operations which done by the RSPO Approve Assessor on 2013. HCV identifying process conducted by using HCV identification guides in Indonesia on June 2008. The identification results indicate that there are HCV 1.1; 1.2; 1.3; 1.4; 2.3; 4.1; 4.3 and 5 with an area of 7,781.10 hectares. HCV identification results also explain that they found Rare, Threatened or Endangered (RTE) species according IUCN-Redlist such as *Dryobalanops aromatica* (kapur) and *Panthera tigris sumatrae* (harimau sumatera).

5.2.2 & 5.2.3

Based on HCV assessment, the company arrange HCV management to maintain the HCV in operation area of PT ANJA Sia's. HCV management activities that taken by the management unit are maintain HCV attributes (HCV boundry, sign board), HCV socialization (community and worker), maintain HCV area, patrolling around HCV area, monitoring of flora and fauna, enrichment in riparian. Interviews with the spraying team of estate known that they have known the HCV area as a protected area and they have also known a ban for chemical use in riparian. Workers also have known about the protected species, a ban on hunting of protected species and sanctions. Field visit at Aek Rundung riparian Block O49/50, Division 8/10, Lembah Subur Selatan Estate show that riparian is already planted with oil palm tree since 2009 and now the condition of

riparian has been overgrown by natural vegetation (see figure).

5.2.4

The company has been monitoring the species and HCV areas regularly every day and documented. Based on monitoring result period January – June 2016 shows that there is no illegal logging, hunting, chemical use on riparian, etc. The species that found such as *Dryobalanops aromatica*, damar, kantong semar, rusa, ayam hutan, etc. The result of monitoring also reported to government institution every six month. Companies are encouraged to add the location (obviously) the finding of RTE species in the monitoring report (OFI).



5.2.5

HCV identification results shows that there are no local communities adjacent to the company HCV area of PT ANJA Siais, but the company participate in protection the riparian of Batang Gadis River which adjacent to operational of PT ANJA Siais.

Status: Comply

5.3

Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

5.3.1; 5.3.3

All waste and pollutions sources from mill and estate are identified and recorded on waste identification risk assessment 2016 such as effluent are managed at WWTP before it distributed to water stream, hazardous waste were kept at hazardous waste warehouse. Companies are encouraged to implement the leachate management from empty fruit bunches at mill in accordance with waste management plans (OFI). Companies already have mechanism for hazardous waste management, but the procedure for utilization and procurement for material categorized as hazardous waste still not available. Based on the explanation found **Nonconformity No. 2016.05 with minor category**.

5.3.2

All chemicals and their containers including hazardous waste are disposed responsibly based on procedure SOP-EHS-011 about ex agrochemicals and hazardous waste management. All ex chemicals containers kept on hazardous waste warehouse at central workshop, and the company has a permit for hazardous waste warehouse issued by environmental agency decree of Tapanuli Selatan regent on 2014 which valid for 3 years. PT ANJ Agri Siais sent the hazardous waste to CV Amindy Barokah (licensed collector). During ASA-2, document and field observation at hazardous waste warehouse shown that all of hazardous waste are compliant with the periods in permit. Records shown hazardous waste were delivered on 13 June 2016 and all records such as logbook, balance sheet and manifest are documented, for example manifest ZF009353, carrier vehicle BK8331MO for 135 kg ex oil filters.

5.3.3 Status: Nonconformity No. 2016.05 with minor category

5.4

Efficiency of fossil fuel use and the use of renewable energy is optimised.

5.4.1

Company had planned and implemented the use of fiber and shell for fossil fuels substitution. Realization of renewable energy have been monitored every day and documented on monthly report for fiber and shell usage. During March - June 2016, the usage of fiber and shell resulting the average energy efficiency for diesel fuel are 5.63 litre/ton CPO and efficiency for electricity are 105.24 Kwh/ton CPO.

Status: Comply

5.5

Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.

5.5.1; 5.5.2

The company has has SOP Land Clearing (SOP-AGR-03) that approved by Estate Director since August 1st 2013. It described

that land clearing in mineral or peat land are zero burning.		
During the audit, there was no new land clearing activity. There was no document regarding to the fire usage during the early land clearing. However, based on stakeholder consultation with government agencies and local villager around the company known that there was no fire usage during land clearing in the past. Auditor concluding that zero burning policy are well-implemented.		
	Status: Comply	
5.6		
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
5.6.1; 5.6.2		
All waste including emmissions and pollutions sources from mill and estate are identified and recorded on waste identification risk assessment 2016. For reduce GHG emissions, the company have implemented the use of fiber and shell for fossil fuels substitution.		
5.6.3		
Monitoring for emission and pollutants (air emission, ambient, odor, noise, vibration) from estate and mill was done periodically every 6 month, covered on RKL/RPL implementation report and reported to environmental agency peridically. Company also have GHG calculation for 2015 period based on RSPO GHG palm V2.1.1 and this calculation have been reported to RSPO by email on July 15 th 2016. The calculation of GHG emissions resulitng 4.1 tCO ₂ e/ton CPO.product.		
	Status: Comply	
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills		
6.1		
Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.		
6.1.1		
The company has established the documented SIA on 2013. This document has covered oll postive and negative social effects that caused and maybe caused by the plantations and mill. Records of participation from local communities and stakholders during SIA report drafting are available.		
6.1.2		
Based on documented SIA and interview with local communities, they participated in the assessment. Participatory assessment was done by focus group discussion. Evidence such as attendance list and photograph has been provided consisting of affected parties such as villagers, public figure, head of village, government institution representative.		
6.1.3		
PT ANJ Agri Siais particularly CD/CSR team are responsible and has established social management plant period 2016 to avoid/mitigate negative impacts and promote the positive ones covering about local development, accessibility, road damage, social relation and communication.		
6.1.4		
Management review for social impact management plan was done on June 2016 and the evidence for participation of affected parties are available (stakeholder meeting on June 2 nd 2016). Based on management review and stakeholder meeting, company has updated and included village youth (<i>kepemudaan desa</i>) development aspects in 2016 social management plan.		
6.1.5		
There is no smallholder scheme at PT ANJA Siais.		
	Status: Comply	

6.2

There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

6.2.1

Company have all list of local communities such as villages around. Procedure for communication and information SOP-LEG-02 are developed and socialize by consultation between the company and local communities (stakholder meeting 2014 as evidence). Information obtained based on Janji Matogu public figures interviews are company have procedures for consultation and communication and the company give information such as FFB price, HCV areal, recruitment transparently.

6.2.2

Company has made clear and proper job description for communication/consultation with affected parties based on job description code 01.05 for CSR/relation officer. At PT ANJ Agri Sias, company have pointed Mr Margolang and Mr Nainggolan as CSR/relation officer. Information obtained based on Janji Matogu public figures and head of pardomuan village interviews are communications going well, all of them are aware and have no difficulties to communicated with company representatives.

6.2.3

The company has maintained the list of the stakeholders relevant to its operations covering the relevant government agencies, NGO, local communities, contractors, educational sectors. Company have shown records of actions taken in response to input from stakeholders, records of all external communication, all of them are listed on monthly communication and information logbook.

Status: Comply

6.3

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

6.3.1

Procedure for conflicts, complaints, grievance has been maintained and contained in documents as follows :

- Internal memo 77/GM/RS/2012 about procedure and monitoring for workers grievance
- SOP-LEG-02 about communications and informations
- Company policy 022/HR&GA/CP/06-09 2009 for land conflicts solving mechanism

6.3.2

Record for Complaints and grievance resolution are documented well by company. All record regarding land dispute are available and resolved. For example there are MoU (*Nota kesepahaman*) about Binasari and Kelompok Tani Napa land dispute between company and Tapanuli Selatan local government on July 27th 2006. All documentation relating resolution and disputes solving handled by legal department team, whereas related to internal grievance handled by supervisor at each estate. Since ASA-1 to ASA-2, there wasn't dispute from community and there was complaint from workers to management unit related to damage of workers facility. Interview with workers known that all complaint has been response by management unit.

Status: Comply

6.4

Any negotiations concerning compensation for loss of legal or customary 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.

6.4.1

PT ANJA Siais has had SOP of Land Acquisition which approve by director and Corporate Services Director on June 2009. The SOP described about the mechanisms to identify and calculate the land compensation. In this procedure was explained that the process of land identification is involved the community and the village government.

6.4.2 & 6.4.3

The results of document review, field visit and interviews show that the company does not perform new expansion since ASA-

1 until ASA-2. The last land acquisition conduct on 2006.		
	Status: Comply	
6.5 Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		
6.5.1 The Company applies the minimum wage according to applicable regulation (Governor decision Number. 188.44/45/KPTS/2016 about minimum wage in Province of North Sumatera) stated in the Internal Memorandum dated 11 February 2016 from Head of Human Resource Division. Evidence of remuneration in accordance with the provisions of the minimum wage is shown in the list of payroll in June 2016. Based on interviews with employees known that employees have earned wages above the minimum wage set in 2016. Based on payroll in June 2016, is known that overtime pay is accordance with regulations. 1 hour wage calculation is the basic wage divided by 173 with payment for the first hour paid 1.5 of one hour wage and next hours paid 2 of one hour wage (for a normal working day).		
6.5.2 The Company show that in the Employment Agreement with the worker has to explain clearly the kind of work, working hours, wages and the rights and obligations of employees. The employment agreement drawn up in Indonesian so that it can be understood by the employees and signed by both parties. Related to the value of wages refers to the provisions of the applicable minimum wage sectoral South Tapanuli who have to consider the cost of living the area. Employees are also given health services and included in the Social Security and health program. From the results of the verification document employee complaints during 2016 and the results of interviews with employees not identified any complaints from employees about their wages and the company has provided the appropriate wage minimum wage set in 2016. <p>In interviews with the harvester during field visits and interviews with management recognized that there is a system called "family gang" in which the harvester to take his wife as a harvester helper but they do not have a written employment relationship with the company. This system is also shown by the internal memo General Manager No. 38 / GMO / Siais / IM / VII / 2016 dated 10 June 2016. In this case there are workers who work for companies without letters agreement. It becomes Nonconformity No. 2016.06 with Major category.</p>		
6.5.3 The Company has provided adequate housing facilities for employees and the provision of electricity and water needs. There is also a clinic for health care employees and elementary school for employee's children education facilities. For secondary school levels, it is available in the village Pardomuan and employee's children facilitated a school bus for the transportation. It also available employee welfare facilities such as sports fields and facilities for worship. Based on observations in the field of housing employees and interviews with employees known that the company has provided a decent housing for employees accompanied by clinic for health care employees.		
6.5.4 The Company has given employees access to obtain a decent basic needs at an affordable price. The need is provided by cooperative employees are supported by the company include providing building facilities shown through Internal Memo of General Manager dated 13 July 2013 Ref No. 52b / GMO / Siasi / IM / VII / 2013, and proved from the results of field visits.		
6.5.2	Status: Nonconformity No. 2016.06 with Major category	
6.6 The employer respects the right 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.		
6.6.1; 6.6.2 The Company give freedom to employees to form unions. This is evidenced in the policies of the existence of trade unions in the form of Internal Memo General Manager PT ANJA Siais No. 72 / GM / srs / 09-2012, dated 24 September 2012 on Freedom of Association. Employees have earned the policy of socialization such as the date of 24 June 2016. Till this time, employees do not form unions, but the employee and the company has a bipartite institutions authorized by Head of		

Department of Labor and Social Transmigration District South Tapanuli no. KEP.560 / 406/2016 dated 15 March 2016 (valid for 2 years). The meetings of which dated March 31, 2016 to discuss the work program, the submission of making clothes, making of the suggestion box, manufacture of flags, making the logo and stamp.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The Company has Regulation for period 2015 - 2017 which was approved by the Department of Labor of North Sumatra province (No. 03-6 / DTK - TR / 2016) dated 8 January 2016. In the company's Regulation setting work hours is 7 hours per day or 40 hours a week. Minimum age limits are set in the workers' Internal Memo General Manager No. 18 / GMO / Siais / IM / III / 2013, dated 4 March 2013 on the Prohibition of employing children under the age of 18 years. From evaluation of database document of employees Month June 2016 did not reveal any employee under the age of 18 years. Based on interviews with employees not identified any employees under 18 years old, The employees also understands that workers under the age of 18 are not allowed to work at the company.

Status: Comply

6.8

Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

6.8.1; 6.8.2; 6.8.3

The Company showed the company's policy on Guidelines for Acceptance / Appointment & Movements / Promotion / Demotion Employees (No.018 / HR & GA / CP / 05-2009). Such procedures are known in the recruitment age limit is 18-50 years. On Gender Equality and Anti-Discrimination in recruitment confirmed in Internal Memo GM PT ANJA Siais No. 36 / GMO / Siais / IM / V / 2013 dated 14 May 2013. The socialization associated with the policy of non-discrimination and equal opportunity provision indicated in evidence socialization to employees on 24 June 2016. The policy is evaluated by the External Relations Officer in each unit once a year.

From interviews with employees not identified any acts of discrimination by the company and the company has provided the same opportunities in the work. In employee database of June 2016 shows that employees who work in PT. ANJ Siais come from various ethnic, religions, gender, race and there are no complaints related to discrimination of local workers or female, including migrant worker is not identified .

Based on company regulation also stated that the promotion was based on their educational background, skills and adequate experience in accordance with the company's needs. The company also noted a history of employee health, including historical results of medical examination, in case of any accident or health of employees. Health checks for employees are conducted regularly and then the results of the medical examination inserted to the history of employee's health card.

Status: Comply

6.9

There is no harassment or abuse in the work place, and reproductive rights are protected.

6.9.1; 6.9.2

The Company has a policy on the prevention of sexual harassment and violence established by the Internal Memo General Manager PT ANJA Siais No. 43 / GMO / Siais / IM / V / 2013 dated 30 May 2013 on the procedure prevention and Sexual Harassment Prevention Committee Organizational Structure Scheme Procedure Sexual Problems and resolution of cases of sexual abuse PT ANJA Siais. Grievance mechanism stipulated in article 48 of the Company Regulation which was approved by the Department of Labor of North Sumatra province by Decree No. 03-6 / DTK - TR / 2016 dated 8 January 2016.

The company has formed a Gender Committee in 2016 based on an internal memo from General Manager dated 15 March 2016 No. 18 / GMO / Siais / IM / II / 2016. Program of committee to prevention of sexual harassment complaints in 2016 include the reception and dissemination of sexual harassment. Companies also keep records related to complaints of sexual harassment complaints during 2016

Female Employees who are pregnant or nursing are also not allowed to work on activities related to chemicals. There are also internal memo No. 22 / GMO / Siais / IM / VI / 2015 dated 1 June 2015 stating that the company does not require work to the worker if the women in the menstrual period and the provision of rest childbirth / miscarriage. One proof of socialization is shown on the record dated 30 April 2016 attended by 30 employees. Based on the results of interviews with female employees known that employees understand and have followed socialization.

6.9.3

Employee complaints and response mechanism set up in the company regulations Article 48. Then explain again in the General Manager's Internal Memo No. 77 / GM / srs / 10-2012 on Complaints Handling Procedures and Monitoring Employees 11 October 2012 and there Flowchart handling employee complaints endorsed by General Manager ANJ Agri Siais and compiled by Human Resource Officer effective date 11 October 2012. The policies are evaluated by External Relations Officer in each unit once a year. In such a mechanism also mentions protection of the complainant complaint (anonymity). Complaints submitted to the direct or indirect supervisor and taken no later than 7 days. The party responsible for the handling of employee complaints is the direct supervisor, manager till director. Mechanisms related complaints have been socialized to all levels of employees of which is shown in the proof of socialization to employees dated 24 June 2016.

The company show complaints records of employees in 2015 - 2016 in the form of lists and monitoring the status of employee complaints. The monitoring is known to occur in some of the complaints during the period 2015 - 2016 have been addressed by the management. Based on interviews with employees known that employees are adequately understand and acknowledge the grievance mechanism has been getting the socialization from the company.

Status: Comply

6.10

Growers and mills deal fairly and transparently with smallholders and other local businesses.

6.10.1

The company set the price of FFB through commercial Department which were subsequently published and placed / posted on the entrance of Estate and Mill ANJA - Siais. There are also FFB Purchase Affairs procedure (No. Document: Anja - F & A-SOP 07, dated in 2003, Rev. 1 March 2010). Pricing mechanisms for FFB determined internally by Head Office - commercial department. In interviews with the FFB supplier stated that the price can be determined easily by the supplier, and also does not have any complaints regarding the price set by the company.

6.10.2; 6.10.4

The Company showed documentary proof of payment of FFB purchased as examples dated 23 June 2016 as Distribution Breakdown Payables include documents Register. Proof of payment through Bank Mandiri example on 20 June 2016. Pricing mechanisms for FFB has been socialized to the supplier as an example of 22 July 2016. In the pricing mechanism does not account for the services of an agent / intermediary. Prices were determined considering the market price and the estimated costs. Prices set is included empty bunch so no refund or compensation given to empty fruit bunches. In interviews with the FFB supplier also recognized that the pricing mechanism TBS has been submitted by the company and understand by FFB supplier and no complaints related to the time of payment

6.10.3

The company showed FFB purchase agreement between the company and the FFB supplier that specify criteria for FFB, FFB sources not derived from FFB stolen or obtained in violation of the law. The agreement was kept by both parties and from interviews with FFB suppliers acknowledged that the suppliers has to understand the contents of the contract agreement and the contract is fair and transparent for both parties.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Company conducted stakeholder meeting regularly and the last meeting conduct on June 2nd 2016 to ensure CD/CSR plan for local development and local communities needs right on target. Contribution to local communities development are listed on PT ANJ Agri Siais corporate social responsibility June 2016 report, for example : local contractors, FFB suppliers, free

medical treatment. As the result of stakeholder consultation aspiration, company also provided *penyuluhan kelapa sawit* (palm oil extension and training) for Gunung Baringin communities conducted on April 28th 2016. Based on interview with head of pardomuan village known that local communities employment recruitment approaching almost 70%. As listed on CD/CSR report, to maximize employment opportunities company also have programme for educational facilities and infrastructure improvement.

6.11.2

There is no smallholder scheme at PT ANJA Siais.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.2; 6.12.3

The Company has provisions related to recruitment contained in the Code of Acceptance / Appointment & Movements / Promotion / Demotion Employees No.018 / HR & GA / CP / 05-2009 and also available in the Company Regulation. In these conditions it is known that each worker have a labor agreement in which has explained clearly the kind of work , working hours, wages and the rights and obligations of employees. Undertaking in the process of hiring employees or outsourcing is a unit management by considering the needs of the company. Then the Human Resource Officer to record the employee in accordance with the terms and conditions of employment. Based on the results of verification of documents listing employees and interviews with management and employees is not identified foreign workers, contract substitution, labor trafficking and forced labor in any form.

The Company also has policies relating to employment in accordance with existing regulations, including the enforcement of minimum wages, work accidents guarantee provision, the prohibition of employing children under the age of 18 Years, gender equality and anti-discrimination in recruitment and freedom of association. Companies are encouraged to define related forced labor and labor trafficking in a policy (OFI).

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

The company has the internal memo dated 2 June 2015 ref. No. 23 / GMO / Siais / IM / VI / 2015 on the Protection of Rights signed by General Manager. In the internal memo states the company's commitment to implement the essential values of the company that appreciates humans and the environment, the company protect the rights or fundamental principles of the workers and their families in an enterprise environment. There's Available evidence of the policy socialization to employees has conducted on 22 June 2016. The socialization about this policy is the responsibility of Human Resource Officer. Based on interviews with employees admitted to getting socialization associated with human rights and does not unidentified human rights violations.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings
7.1

A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.

7.1.1; 7.1.2 & 7.1.3

The results of document review, field visits and interviews found that PT ANJA Siais did not expand or conduct new planting since the activities of ASA-1 (July 2015).

Status: Comply

7.2	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.	
7.2.1; 7.2.2	The results of document review, field visits and interviews found that PT ANJA Sia's did not expand or conduct new planting since the activities of ASA-1 (July 2015).	
	Status: Comply	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	
7.3.1; 7.3.2	The document review showed that the company is performed land clearing after November 1, 2005 without preceded by the identification of HCV. PT Austindo Nusantara Jaya Agri, as the parent of PT ANJA Sia's has conducted disclouser of liability and LUC analysis in accordance with RSPO template on 24 August 2015. The validation progress of Remediation and Compensation Plan (RaCP) for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RACP Procedure will be observed again on the next visit (OFI).	
7.3.3; 7.3.4 & 7.3.5	The results of document review, field visits and interviews found that PT ANJA Sia's did not expand or conduct new planting since the activities of ASA-1 (July 2015).	
	Status: Comply	
7.4	Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
7.4.1; 7.4.2	The results of document review, field visits and interviews found that PT ANJA Sia's did not expand or conduct new planting since the activities of ASA-1 (July 2015).	
	Status: Comply	
7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	
7.5.1	The results of document review, field visits and interviews found that PT ANJA Sia's did not expand or conduct new planting since the activities of ASA-1 (July 2015).	
	Status: Comply	
7.6	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 free, prior and informed consent and negotiated agreements.	
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6	The results of document review, field visits and interviews found that PT ANJA Sia's did not expand or conduct new planting since the activities of ASA-1 (July 2015).	
	Status: Comply	
7.7	Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.	

7.7.1; 7.7.2		
The results of document review, field visits and interviews found that PT ANJA Siais did not expand or conduct new planting since the activities of ASA-1 (July 2015).		
	Status: Comply	
7.8		
New plantation developments are designed to minimise net greenhouse gas emissions.		
7.8.1; 7.8.2		
The results of document review, field visits and interviews found that PT ANJA Siais did not expand or conduct new planting since the activities of ASA-1 (July 2015).		
	Status: Comply	
PRINCIPLE #8 Commitment to continuous improvement in key areas of activity		
8.1		
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.		
8.1.1		
The company has had Quality Improvement Project (QIP) 2016. Several program as follow:		
<ol style="list-style-type: none"> 1. Maintenance individual terrace 2. Castration/sanitation in 3. Building dyke for flood handling in area near Batang Gadis Riverside. 4. Building field drain in block K43. 		
Internal audit RSPO: has conducted on March 14 th – 19 th 2016. There were identified 11 non compliance. All non compliance has been closed on June 16 th 2016.		
Continuous improvements have been made by company such as implementing an environmental management system and Certified ISO 14001:2004 environmental management system. The company has also implemented safety and health management system and obtain the certificate dated 14 May 2014. Additionally, the Company has implemented Indonesian sustainable palm oil (ISPO) certified on 30 April 2015.		
	Status: Comply	

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements																																																			
E.1	Definition																																																			
E.1.1																																																				
Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.																																																				
ANJA Sia's POM is used RSPO supply chain of Mass Balance module because they still received FFB from the estate which has not been certified with RSPO that is third party.																																																				
	Status: Comply																																																			
E.2	Explanation																																																			
E.2.1																																																				
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.																																																				
Estimates of CPO and PK produced by ANJA Sia's POM obtained from the data of 12 months before the audit activities and have been described in this ASA-2 report.																																																				
	Status: Comply																																																			
E.2.2																																																				
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).																																																				
<ul style="list-style-type: none">RSPO IT Platform member registration number: RSPO_PO1000001992Certified CPO sold to each buyer period of 25 September 2015 to 24 September 2016: -Certified Palm Kernel sold to each buyer period of 25 September 2015 to 18 July 2016: Via etrace																																																				
	<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>26/04/2016</td><td>PT Adei Plantation</td><td>150.130</td></tr><tr><td>30/04/2016</td><td>PT Adei Plantation</td><td>149.870</td></tr><tr><td>02/05/2016</td><td>PT Adei Plantation</td><td>106.330</td></tr><tr><td>09/05/2016</td><td>PT Adei Plantation</td><td>71.890</td></tr><tr><td>10/05/2016</td><td>PT Adei Plantation</td><td>71.780</td></tr><tr><td></td><td></td><td></td></tr><tr><td>12/05/2016</td><td>PT Adei Plantation</td><td>99.650</td></tr><tr><td>14/05/2016</td><td>PT Adei Plantation</td><td>36.300</td></tr><tr><td>16/05/2016</td><td>PT Adei Plantation</td><td>100.350</td></tr><tr><td>21/05/2016</td><td>PT Adei Plantation</td><td>163.700</td></tr><tr><td></td><td></td><td></td></tr><tr><td>28/05/2016</td><td>PT Adei Plantation</td><td>98.810</td></tr><tr><td>30/05/2016</td><td>PT Adei Plantation</td><td>101.190</td></tr><tr><td>01/06/2016</td><td>PT Adei Plantation</td><td>58.710</td></tr><tr><td>03/06/2016</td><td>PT Adei Plantation</td><td>108.580</td></tr><tr><td>06/06/2016</td><td>PT Adei Plantation</td><td>32.710</td></tr></table>	Date	Buyer	Volume	26/04/2016	PT Adei Plantation	150.130	30/04/2016	PT Adei Plantation	149.870	02/05/2016	PT Adei Plantation	106.330	09/05/2016	PT Adei Plantation	71.890	10/05/2016	PT Adei Plantation	71.780				12/05/2016	PT Adei Plantation	99.650	14/05/2016	PT Adei Plantation	36.300	16/05/2016	PT Adei Plantation	100.350	21/05/2016	PT Adei Plantation	163.700				28/05/2016	PT Adei Plantation	98.810	30/05/2016	PT Adei Plantation	101.190	01/06/2016	PT Adei Plantation	58.710	03/06/2016	PT Adei Plantation	108.580	06/06/2016	PT Adei Plantation	32.710
Date	Buyer	Volume																																																		
26/04/2016	PT Adei Plantation	150.130																																																		
30/04/2016	PT Adei Plantation	149.870																																																		
02/05/2016	PT Adei Plantation	106.330																																																		
09/05/2016	PT Adei Plantation	71.890																																																		
10/05/2016	PT Adei Plantation	71.780																																																		
12/05/2016	PT Adei Plantation	99.650																																																		
14/05/2016	PT Adei Plantation	36.300																																																		
16/05/2016	PT Adei Plantation	100.350																																																		
21/05/2016	PT Adei Plantation	163.700																																																		
28/05/2016	PT Adei Plantation	98.810																																																		
30/05/2016	PT Adei Plantation	101.190																																																		
01/06/2016	PT Adei Plantation	58.710																																																		
03/06/2016	PT Adei Plantation	108.580																																																		
06/06/2016	PT Adei Plantation	32.710																																																		

Total		1,350																																																								
Status: Comply																																																										
E.3	Documented procedures																																																									
E.3.1																																																										
The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:																																																										
a. Complete and up to date procedures covering the implementation of all the elements in these requirements;																																																										
b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.																																																										
ANJA Siais POM has had SOP of Mass Balance which described the duties and responsibilities of each part; determination of supply chain format compilation, procedure to deal with overproduction. The results of interviews with security and the weightbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS.																																																										
Status: Comply																																																										
E.3.2																																																										
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.																																																										
ANJA Siais POM has had SOP of Mass Balance, among others, described about the process of FFB reception from the supplier. The results of field visits and document review showed that the FFB received by the mill comes from the estate that has been certified with RSPO and the estate that has not been certified with RSPO. To find the source of FFB comes from the estate that has been certified with RSPO and then it's labeled on the Delivery Order Letter in the form of RSPO stamp.																																																										
Status: Comply																																																										
E.4	Purchasing and goods in																																																									
E.4.1																																																										
The site shall verify and document the volumes of certified and non-certified FFBs received.																																																										
• Certified and non-certified FFB received period of 25 September 2015 to 19 July 2016																																																										
<table><tr><th rowspan="2">Month</th><th colspan="3">FFB</th></tr><tr><th>RSPO Certified</th><th>Non Certified</th><th>Total</th></tr><tr><td>25 - 30 Sept 15</td><td>3,417.760</td><td>825.275</td><td>4,243.035</td></tr><tr><td>Okt 15</td><td>14,369.880</td><td>4,963.651</td><td>19,333.531</td></tr><tr><td>Nov 15</td><td>12,502.670</td><td>4,364.000</td><td>16,866.670</td></tr><tr><td>Dec 15</td><td>16,770.730</td><td>3,891.363</td><td>20,662.093</td></tr><tr><td>Jan 16</td><td>8,998.690</td><td>3,163.395</td><td>12,162.085</td></tr><tr><td>Feb 16</td><td>15,486.920</td><td>3,462.554</td><td>18,949.474</td></tr><tr><td>Mar 16</td><td>15,682.740</td><td>3,767.295</td><td>19,450.035</td></tr><tr><td>Apr 16</td><td>15,445.840</td><td>3,905.697</td><td>19,351.537</td></tr><tr><td>May 16</td><td>17,290.690</td><td>5,437.890</td><td>22,728.580</td></tr><tr><td>June 16</td><td>20,226.020</td><td>6,827.924</td><td>27,053.944</td></tr><tr><td>1 - 19 July 16</td><td>7,840.620</td><td>2,742.800</td><td>10,583.420</td></tr><tr><td>Total</td><td>148,032.560</td><td>43,351.844</td><td>191,384.404</td></tr></table>				Month	FFB			RSPO Certified	Non Certified	Total	25 - 30 Sept 15	3,417.760	825.275	4,243.035	Okt 15	14,369.880	4,963.651	19,333.531	Nov 15	12,502.670	4,364.000	16,866.670	Dec 15	16,770.730	3,891.363	20,662.093	Jan 16	8,998.690	3,163.395	12,162.085	Feb 16	15,486.920	3,462.554	18,949.474	Mar 16	15,682.740	3,767.295	19,450.035	Apr 16	15,445.840	3,905.697	19,351.537	May 16	17,290.690	5,437.890	22,728.580	June 16	20,226.020	6,827.924	27,053.944	1 - 19 July 16	7,840.620	2,742.800	10,583.420	Total	148,032.560	43,351.844	191,384.404
Month	FFB																																																									
	RSPO Certified	Non Certified	Total																																																							
25 - 30 Sept 15	3,417.760	825.275	4,243.035																																																							
Okt 15	14,369.880	4,963.651	19,333.531																																																							
Nov 15	12,502.670	4,364.000	16,866.670																																																							
Dec 15	16,770.730	3,891.363	20,662.093																																																							
Jan 16	8,998.690	3,163.395	12,162.085																																																							
Feb 16	15,486.920	3,462.554	18,949.474																																																							
Mar 16	15,682.740	3,767.295	19,450.035																																																							
Apr 16	15,445.840	3,905.697	19,351.537																																																							
May 16	17,290.690	5,437.890	22,728.580																																																							
June 16	20,226.020	6,827.924	27,053.944																																																							
1 - 19 July 16	7,840.620	2,742.800	10,583.420																																																							
Total	148,032.560	43,351.844	191,384.404																																																							
Status: Comply																																																										
E.4.2																																																										
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.																																																										

ANJA Siais POM has had SOP of Mass Balance that describes the provision of information to CB if there is excess production of RSPO-certified products. The results of interviews with representatives of the management unit indicates that the management unit has been understood about the procedures for providing information if there is excess production of RSPO-certified products. Document review showed that the production of RSPO certified products do not exceed the estimated production in the RSPO certificate attachment of ASA-1.

Status: Comply

E.5 Record keeping

E.5.1

- a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**
- b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.**
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)**

ANJA Siais POM has had a monthly report which described about the Acceptance of FFB, Production of CPO and PK, Delivery of CPO and PK. During the period of October 2015 to June 2016 there is shipment of RSPO certified products (CSPO and CSPK). There is the following product shipment data from ANJA Siais POM:

Period	CPO Production			Despatch CPO		
	Cert	Non	Total	Cert	Non	Total
Okt 15	3,195.94	1,103.94	4,299.88	-	3,405.30	3,405.30
Nov 15	2,689.48	938.75	3,628.23	-	6,318.81	6,318.81
Des 15	3,615.29	838.87	4,454.16	-	3,109.42	3,109.42
Jan 16	1,960.34	689.14	2,649.47	-	1,998.94	1,998.94
Feb 16	3,424.80	765.72	4,190.52	-	6,593.51	6,593.51
Mar 16	3,511.38	843.50	4,354.88	-	3,000.00	3,000.00
Apr 16	3,514.83	888.77	4,403.60	-	5,700.00	5,700.00
May 16	3,750.30	1,179.46	4,929.76	-	4,200.00	4,200.00
June 16	4,484.91	1,514.02	5,998.93	-	4,500.00	4,500.00
	30,147.25	8,762.16	40,392.10	-	38,825.98	38,825.98

Period	PK Production			Despatch PK		
	Cert	Non	Total	Cert	Non	Total
Okt 15	664.35	229.69	894.04	-	1,230.02	1,230.02
Nov 15	594.68	208.18	802.86	-	733.56	733.56
Dec 15	785.79	182.17	967.96	-	912.10	912.10
Jan 16	425.55	149.60	575.15	-	960.83	960.83
Feb 16	717.89	163.71	881.59	-	670.31	670.31
Mar 16	706.19	201.36	907.55	-	1,000.00	1,000.00
Apr 16	709.05	179.29	888.34	300.00	550.00	850.00
May 16	779.35	245.10	1,024.45	850.00	-	850.00
June 16	970.27	327.54	1,297.81	200.00	944.49	1,144.49
	6,353.11	1,886.63	8,423.32	1,350.00	7,001.31	8,351.31

Status: Comply

E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

ANJA Siais POM does not perform activities of palm kernel crushing to the independent palm kernel crushers.

Status: Comply

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ASA-2	PT ANJA SiaS has logo and certificate approval/permit from MUTU	√
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-2	The Company does not use the logo on-product and off-product in the scope of PT ANJA SiaS	√
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-2	The Company does not use the logo on-product and off-product in the scope of PT ANJA SiaS	√
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-2	The Company does not use the logo on-product and off-product in the scope of PT ANJA SiaS	√
	Status: Comply	

3.4 Summary of RSPO Partial Certification

Management units observed: 1. <i>PT. Galempa Sejahtera Bersama (GSB): New Planting Procedure conducted on 2014</i> 2. <i>PT. Putera manunggal Perkasa (PMP): New Planting Procedure conducted on 2014</i> 3. <i>PT. Permata Putera Mandiri (PPM): New Planting Procedure conducted on 2014</i>		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or √
	<p>PT GSB</p> <ul style="list-style-type: none"> Location Permit: Decree of Regent of Empat Lawang No. 525/ 535/ KEP/ HUTBUNTAMBEN/ 2012, 20 April 2012 Plantation Permit: Decree of Regent of Empat Lawang No. 525/ 423/ KEP/ HUTBUNTAMBEN/ 2013, date 8 May 2013 Environmental Permit: Decree of Regent of Empat Lawang No.211, 2013, date 6 May 2013 for Palm Oil Plantation and Mill ± 20.000 Hectares in subdistrict of Ulu Musi & Sikap Dalam, Empat Lawang Regency, South Sumatera Province. <p>PT PMP</p> <ul style="list-style-type: none"> Location Permit: Decree of West Papua Governor No. 522/30/II/2011 Tahun 2011 dated 9 February 2011 jo No 522.2-6/206/10/2012 Tahun 2012 dated 12 October 2012 Plantation Permit: West Papua Governor Decree No. 525/90/V/2011 Tahun 2011 dated 10 May 2011 jo No. 525/584/GPB/2013 dated 30 April 2013. Environmental Permit: West Papua Governor Decree Number. 660.1/58/II/2012 Tahun 2012 dated 16 February 2012 Approval of release converted production forest area for oil palm plantations: Decree of Ministry of Forestry No. SK.606/Menhut-II/2012 dated 31 October 2012 <p>PT PPM</p> <ul style="list-style-type: none"> Location Permit: Regent of South Sorong Decree No. 83/2010 dated 30 April 2010 jo No. 522.2/118/BSS/August Tahun 2010 dated 11 August 2010 Plantation Permit: West Papua Governor Decree No. 95 Tahun 2010 dated 28 June 2010 jo No. 132 Tahun 2010 dated 13 August 2010 jo No. 525/2006/10/2012 Tahun 2012 dated 12 October 2012. Environmental Permit: South Sorong Decree Number. 525/76/BSS/II/2011 Tahun 2011 dated 25 April 2011. Approval of release converted production forest area for oil palm plantations: Decree of Ministry of Forestry No. SK.731/MENHUT-II/2011 dated 21 December 2011. 	√
	Status: Comply	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or √
	<p>PT GSB</p> <ul style="list-style-type: none"> Location Permit: Decree of Regent of Empat Lawang No. 525/ 535/ KEP/ HUTBUNTAMBEN/ 2012, 20 April 2012 Plantation Permit: Decree of Regent of Empat Lawang No. 525/ 423/ KEP/ HUTBUNTAMBEN/ 2013, date 8 May 2013 <p>PT PMP</p> <ul style="list-style-type: none"> Location Permit: Decree of West Papua Governor No. 522/30/II/2011 Tahun 2011 dated 9 February 2011 jo No 522.2-6/206/10/2012 Tahun 2012 dated 12 October 2012 Plantation Permit: West Papua Governor Decree No. 525/90/V/2011 Tahun 2011 dated 10 May 2011 jo No. 525/584/GPB/2013 dated 30 April 2013. 	√

	<ul style="list-style-type: none"> Approval of release converted production forest area for oil palm plantations: Decree of Ministry of Forestry No. SK.606/Menhut-II/2012 dated 31 October 2012 <p>PT PPM</p> <ul style="list-style-type: none"> Location Permit: Regent of South Sorong Decree No. 83/2010 dated 30 April 2010 jo No. 522.2/118/BSS/August Tahun 2010 dated 11 August 2010 Plantation Permit: West Papua Governor Decree No. 95 Tahun 2010 dated 28 June 2010 jo No. 132 Tahun 2010 dated 13 August 2010 jo No. 525/2006/10/2012 Tahun 2012 dated 12 October 2012. Approval of release converted production forest area for oil palm plantations: Decree of Ministry of Forestry No. SK.731/MENHUT-II/2011 dated 21 December 2011. Cadastral map from National Land Body of Republic Indonesia No. 021-33.05-2014, dated 26 March 2014 for 32,025.14 Ha. 	
	Status: Comply	
6.3	There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	X or √
	Companies has had Standard Operasional Procedure for Community Disagreement Management and Land Tenure Conflict.	√
	Status: Comply	
6.4	Any negotiations concerning compensation for loss of legal or customary 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.	X or √
	<p>Companies has had land and plant growing acquisition procedure. The aim of the procedure is as a general guidance for land acquisition that has obtained location permit from Regency/Provincial Government and will be occupied as an area for company's activities includes compensation for plantation in the area.</p> <p>Land and plant growing compensation process by PT GSB was conducted through an agreement between land owner and witnessed by parties. There are also a record evidence which are certificate of land acquisition (Akta Pelepasan Hak Atas Tanah, map of the area (scale 1:4,500) signed by Land Owner, Chief of Orchard, Chief of Village, company representatives, letter of land status from the Village Agency, statement letter of sporadic physical land tenure, letter of acknowledgement right (Surat Pengakuan Hak), statement letter of individual land release and willingness to join partnership scheme, form of history of land tenure, request letter for land measurement (Surat Permohonan Pengukuran Lahan) from land owner, Resident Identity Card (KTP) of land owner and payment invoice.</p> <p>Land acquisitions process on the operational area of PT PMP and PT PMM was conducted on customary rights by participating with representative of each tribe. There are map of customary land release from each tribe that approved by representative of each customary head and agreed by head of distric and head of village.</p>	√
	Status: Comply	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	X or √
	<p>PT GSB, PT PMM and PT PMP has conducted disclouser of liability and LUC analysis in accordance with RSPO template on 24 August 2015.</p> <p>PT GSB has been identified HCV in operation area on Nov 2012 – Feb 2013 and the land clearing was conducted after HCV identification.</p>	√
	Status: Comply	

7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	X or √
	<p>Land and plant growing acquisition procedure (No. 021/HR&GA/CP/Pembebasan Lahan/06-09). The aim of the procedure is as a general guidance for land acquisition that has obtained location permit from Regency/Provincial Government and will be occupied as an area for company's activities includes compensation for plantation in the area.</p> <p>Land and plant growing compensation process by PT Galempa Sejahtera Bersama was conducted through an agreement between land owner and witnessed by parties. There are also a record evidence which are certificate of land acquisition (Akta Pelepasan Hak Atas Tanah, map of the area (scale 1:4,500) signed by Land Owner, Chief of Orchard, Chief of Village, company representatives, letter of land status from the Village Agency, statement letter of sporadic physical land tenure, letter of acknowledgement right (Surat Pengakuan Hak), statement letter of individual land release and willingness to join partnership scheme, form of history of land tenure, request letter for land measurement (Surat Permohonan Pengukuran Lahan) from land owner, Resident Identity Card (KTP) of land owner and payment invoice.</p> <p>Land acquisitions process on the operational area of PT PMP and PT PMM was conducted on customary rights by participating with representative of each tribe. There are map of customary land release from each tribe that approved by representative of each customary head and agreed by head of district and head of village.</p>	√
	Status: Comply	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or √
	<p>Land and plant growing acquisition procedure (No. 021/HR&GA/CP/Pembebasan Lahan/06-09). The aim of the procedure is as a general guidance for land acquisition that has obtained location permit from Regency/Provincial Government and will be occupied as an area for company's activities includes compensation for plantation in the area.</p> <p>Land and plant growing compensation process by PT Galempa Sejahtera Bersama was conducted through an agreement between land owner and witnessed by parties. There are also a record evidence which are certificate of land acquisition (Akta Pelepasan Hak Atas Tanah, map of the area (scale 1:4,500) signed by Land Owner, Chief of Orchard, Chief of Village, company representatives, letter of land status from the Village Agency, statement letter of sporadic physical land tenure, letter of acknowledgement right (Surat Pengakuan Hak), statement letter of individual land release and willingness to join partnership scheme, form of history of land tenure, request letter for land measurement (Surat Permohonan Pengukuran Lahan) from land owner, Resident Identity Card (KTP) of land owner and payment invoice.</p> <p>Land acquisitions process on the operational area of PT PMP and PT PMM was conducted on customary rights by participating with representative of each tribe. There are map of customary land release from each tribe that approved by representative of each customary head and agreed by head of district and head of village.</p>	√
	Status: Comply	

3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components
3.5.1 Identification of Findings, Corrective Actions and Observations at [ASA-1](#) Assessment

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2015.1	Major 1.1.1	Information Provision to the Stakeholder. The company was not able to show the evidence of routine reporting to the associated agency. For example: <ul style="list-style-type: none"> - Report of work accident to the Manpower Agency based on the Manpower Ministry Regulation No. 3 Year 98) - Plantation business progress reporting to the Plantation Agency based on the Agriculture Ministry No. 98 Year 2013. 	Major	Estate and Mill	August 31st 2015	The company must be able to show the evidence of the routine reporting to the associated agency.	Root Cause: Work accident was reported writtenly to the labour social assurance but not to the Manpower Agency (orally). Therefore, there was no official record. The plantation business progress reporting to plantation agency was not yet composed for its official record of handover. Corrective Action: Report of plantation business progress and the work accident should be sent writtenly and the official record must be composed as well. Preventive Action: The future work accident reporting should be reported writtenly and the official record must be composed as well. The plantation business progress reporting must be reported writtenly too. Auditor Response: The company has conducted	Closed	August 6th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							corrective action and has it shown in form of the document of report receipt of plantation business progress of \PT ANJ Agri Siais in 1 st semester (sent on August 2014) and in 2 nd semester (sent on March 2015) of 2014 in letter No. 002/ANJASiiiais-EA/TH.ip/02-15. Hence, the NC is closed.		
2015.2	Minor 2.1.3	<p>Procedure to Ensure the Compliance over the Law</p> <p>The company was able to show the list of the applied law and which was updated for period of 2015. There were several updated laws. However, there were law which were not yet updated on the list. It was not in line with the SOP composed by the company in term of the evaluation of law compliance in document No. SOP-Leg-01.</p> <p>For example :</p> <ul style="list-style-type: none"> - Manpower Ministry Regulation No. 26 Year 2014 in term of the implementation of OHSMS. - Manpower Ministry Regulation No. 27 Year 2014 in term of the changes over Manpower Ministry No. 19 Year 2012 about the requirements for giving several projects to other 	Minor	Estate and Mill	Pre ASA-02	The company must be able to show the SOP in term of the evaluation over the law compliance in document No. SOP-Leg-01 has been implemented.	<p>Root Cause: There were several obsolete law.</p> <p>Corrective Action: The company must update the law and regulation for the most recent law and regulation.</p> <p>Preventive Action: The Department of Legal should review the list of regulation based on the SOP annually by referring the most recent regulation issued by the government..</p> <p>Auditor Response: The company has sent the evidence of corrective action over the list of the updated regulation on 2015 and the report of evaluation of law compliance on 2015. According to the document,</p>	Closed	August 6th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		company (contractor). - Agriculture Ministry Regulation No. 98 Year 2013 in term of plantation business permit. - Agriculture Ministry Regulation No. 11 Year 2015 in term of ISPO.					all updated law and regulations for the estate and mill operations were described. Hence, NC is closed.		
2015.3	Major 4.1.4	Origin of All FFB from the Third Party The company was not able to show the evidence of the record of FFB from the third party like the name of outgrower, location and document of legality.	Major	Mill	August 31st 2015	The company must be able to show the evidence of the FFB origin.	Root Cause: There was no identification of the FFB origin from the third party. Corrective Action: Identifying the FFB origin from the third party. Preventive Action: Evaluating the FFB origin from the third party annually. Auditor Response: The company has shown the evidence of corrective action in form of the document of data collecting for the outgrowers who supply the FFB to Siais POM. There are 9 FFB supplier villagers which supply the FFB to Siais POM. The company also showed the evidence of land ownership in form of the abstract of title from the chief of village. For example, the	Closed	August 6th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							abstract of titel from the chief of Pardomuan and chief of Sikuik-kuik Village on August 4th 2015. It described the 5 villagers who become the FFB supplier to Siais POM and have the land on the Pardomuan and Sikuik-kuik Village. The letter described the name of land owner, address and hectarage of land. Hence, the NC is closed.		
2015.4	Minor 4.4.4	Water Consumption for Mill According to the document review of the water consumption for period of January – May 2015 for the processing stage, the water consumption was 1.33 - 1.46 m ³ /ton of FFB and the consumption of the dirty water for cleaning process was 1.37 – 1.52 m ³ /ton of FFB. However, the company was not able to show the evidence of evaluation and follow up over the inefficiency of water consumption on mill (budget for water consumption was 1.2 m ³ /ton of FFB)	Minor	Mill	Pre ASA-02	The company must be able to show the evidence of evaluation and follow up over the inefficiency of water consumption.	Root Cause: The over consumption for water was caused by the roof and wall cleaning of mill and plant watering nearby mill as well as floor cleaning. Corrective Action: Composing evaluation over the over consumption of water and compose the budget plan for the future more detail for the non-operational aspect. Preventive Action: Evaluation should be conducted monthly and it should be considered as reference for the program and budget compilation for the next year.	Closed with observat ion	August 18th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							Auditor Response: Verification on August 18th 2015. The company has shown the evidence of water consumption evaluation which exceeded the composed budget and the company has composed plan to repair the waterway and to evaluate the water consumption. Hence, <u>NCR is closed with observation.</u>		
2015.5	Major 4.6.6	Pesticide Containers Management According to the result of field visit during the ASA-1, there was badly-managed pesticide containers: 1. Regent and Amiphosate at the settlement of Division-6 (Next to foreman-1 house) 2. Pesticide container (Gramoxone) used for the reckless purpose in front of the chemicals storage. It was not in line with the SOP of agrochemicals and pesticide waste management in document No. SOP-EHS-011 in 1st edition of 1st revision dated November 30th 2009 and internal memo No. 29/GMO/Siais/IM/V/2014 in term of the hazardous waste management	Major	Estate	August 31st 2015	The company must ensure that all pesticide containers are managed based on the SOP and the internal memo as well as its evaluation.	Root Cause: There was a pesticide containers at the employee settlement. Corrective Action: Withdrawal of pesticide containers from the settlement including the hazardous waste management to the hazardous waste storage. Preventive Action: Holding socialization and monitoring weekly in term of the hazardous waste management on the settlement by the EHS/Staff of ANJA Siais. Auditor Response: The company has conducted corrective action and shown the	Closed	August 20th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		on June 23rd 2014					<p>evidence of it in form of the official record of hazardous waste management to the employees on July 11th 2015. It was attended by 45 participants. The socialization taught the definition of hazardous waste, type of hazardous waste and method to control it. The company showed the declaration letter from the employees of division 8 of LST and supervisor of contractor that they will not use hazardous waste containers too. However, the company was not able to show the evidence that the hazardous waste found on the settlement and storage were managed. Evidence of withdrawal and storing of hazardous waste and the record of hazardous waste balance sheet over the regent, amiphosate dan gramoxone. The official record and photographs are available.</p> <p>Verification on August 20th 2015 The company has shown the evidence of corrective action in form of the official record of hazardous waste handover from civil and LST to the hazardous waste storage and hazardous</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							waste balance sheet. The containers like regent, amiphosate and gramoxone stored at the hazardous waste were described on the document. Hence, the NC is closed.		
2015.6	Major 6.5.2	Implementation of Law in term of Wage Payment. According to the document review and public consultation, the worker on behalf Arni Basa (LSU of Division 2) was having work accident and was being on the recovery process. However, the company was not paying the compensation based on the applied company regulation for period of 2013-2015. For example: <ol style="list-style-type: none"> 1. The payment for the second 4 months has not yet been paid for 75% of the wage. 2. The payment for the third 4 months has not yet been paid for 50% of wage for 2 months. 	Major	Estate	August 31st 2015	The company must be able to show the evidence that the law in term of wage payment has been implemented.	Root Cause: The wage deduction was conducted without coordination with the company HR. Corrective Action: <i>The deducted amount of wage should be paid to Arni Basa.</i> Preventive Action: Socialization in term of the law of wage to the administrator and the wage deduction must be known by the company HR. Auditor Response: The company has conducted corrective action and has sent the evidence of calculation letter and employee wage payment from HRO of PT ANJA to the Head of Administration of LSU in No. 15/HRO/ANJA-Siais/VII/2015 dated July 1st 2015. It described the process of the employees who	Closed	August 6th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>experience work accident and on the recovery process based on the company policy. The payment system is as follows:</p> <ul style="list-style-type: none"> - First 4 months for 100% of the wage - Second 4 months for 75% of the wage - Third 4 months for 50% of the wage and the payment for the following months is 25% of the wage until the contract termination. <p>The company has paid the wage based on the terms on July 9th 2015. The company showed the document of cashflow No. B0000838 as the evidence and it has been signed by the mentioned employee. Hence, NC is closed.</p>		
2015.7	Major 7.3.1	<p>Evidence that there was no longer planting program on the HCV area post November 2005</p> <p>PT ANJA Siais was not able to show that the planted area post 2005 was not HCV area.</p> <p>If the planted are was the HCV area, it should be kicked out from the certification program until the company compensate it and RSPO approve it.</p>	Major	PT ANJ Agri Siais	August 31st 2015	The company must be able to show that the area planted post 2005 was not HCV area.	<p>Root Cause: The company was not able to show the evidence that the planted area post 2005 was not HCV area.</p> <p>Corrective Action: The company proposed the report as the evidence that the area planted post 2005 was not HCV area.</p>	Closed	August 25th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Preventive Action: The company reported the evidence that the planted area post 2005 was not the HCV area.</p> <p>Auditor Response: The company showed the evidence of corrective action in form of the report of land identification survey which was conducted by the Agriculture Research and Development Agency in letter No. 1008/LB.010/I.8/6/2014 dated June 2nd 2015.</p> <p>Verification on August 25th 2015 The company has shown the evidence of corrective action in form of the document of landsat image map on 2005, 2006, 2007, 2008 and 2009. It informed the condition of the land layer of PT ANJA Sia's pre land clearing program on 2005 and the LUC analysis document as well. The company also has shown the evidence of reporting to RSPO via email as well as the response on August 24th 2015. RSPO did receive the report. However, the report was not yet verified. Hence,</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							the NC is closed with observation.		
2015.8	Minor 7.8.1 & Minor 5.6.3	Reporting of GHG Monitoring According to the document review, the company has monitored GHG by using Palm ISPO GHG Calculator Tool V.2 on 2014. However, there was no evidence that the company has it reported to RSPO.	Minor	PT ANJ Agri Siais	Pre ASA- 02	The company must be able to show the evidence that they have reported it to RSPO.	<p>Root Cause: The company was not reporting the GHG to RSPO.</p> <p>Corrective Action: The company reported it to RSPO.</p> <p>Preventive Action: The company should monitor and report it to the RSPO annually and incorporate it on the sustainable program.</p> <p>Auditor Response: According to the document review, the company has calculated and monitored GHG by using Palm ISPO GHG Calculator Tool V.2 on 2014. However, the company was not able to show the evidence of report of GHG monitoring to RSPO. See NCR no. 2015.8.</p> <p>19 July 2016 Company have GHG calculation for 2015 period based on RSPO GHG palm V2.1.1 and this calculation have been reported to RSPO by email on July 15th 2016.</p>	Closed	July 19th 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							Based on the explanation NC 2016.08 is closed		
2015.9	Major 8.1.1	Sustainable Corrective Action According to the verification of the compliance over NCR 2014.04 in Major in form of the use of hazardous waste as the cork of aerator pump on the WWTP. There was Internal Memo No. 29/GMO/SiaiS/IM/V/2014 in term of the hazardous waste processing stage. PT Anja Siais showed the evidence of documentation in form of the photographs of the pesticide containers used as the cork from the hazardous waste storage on June 23rd 2014 on the official record on June 17th 2014. However, according to the field visit, the company was still conduct those things.	Major	PT ANJA Siais	August 31st 2015	The company must be able to show adequate evidence on the estate and mill operational has been conducted.	Root Cause: It was caused by the urgent need to use pesticide containers as buoy. Corrective Action: The pesticide containers have been evacuated to the hazardous waste storage and the buoy was exchanged with the purposed material. Preventive Action: The socialization should be held for the mill employees and the collective commitment which was signed by the WWTP pond Officer and recognized by the Manager in term of the prohibition for not using pesticide containers. EHS should compose the program to monitor the pesticide containers on the hazardous waste area in weekly-based and so on and composing the official record for each inspection. Auditor Response: The company has shown the	Closed	August 6th 2015

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>evidence of corrective action in form of official record of chemicals containers function change at the WWTP on July 1st 2015. It was signed by the storage clerk, EHS Officer, Lab Assistant and Sr Mill Manager. The company then conducted briefing and awareness over the hazardous waste and its usage on the WWTP ponds to the effluent operator on July 6th 2015. The hazardous waste containers on the WWTP ponds have been withdrawn and stored at the storage. The company showed the monitoring of hazardous waste dispatch to CWT on July 1st 2015. There were 10 pieces of containers received by the Head of storage and was recognized by the Mill Manager and Lab Assistant. The company has replaced chemicals drum with 200 liter of plastic chemicals drum. The company showed the evidence of goods request for 15 pieces of drums in No. 217/BPB/MILL/ANJAGRI/VII-2015 dated July 4th 2015. Hence, the NC is closed and it shall be observed on the next assessment.</p>		

3.5.2 Identification of Findings, Corrective Actions and Observations at **ASA-2** Assessment

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2016.1	1.1.1	<p>Providing adequate information on issues relevant to RSPO Criteria to stakeholders</p> <p>Not yet available evidence of providing adequate information on issues relevant to RSPO Criteria to stakeholders.</p>	PT ANJ Agri Siais	Minor	ASA - 3	The company shall provide adequate information on issues relevant to RSPO Criteria to stakeholders	<p>Root cause: The Company have not yet submitted information regarding the use of the concession to the relevant agencies.</p> <p>Corrective action (+evidence) 24 August 2016 The Company has submitted a report related to the utilization of the concession to the National Land Agency (BPN) on 1 August 2016.</p> <p>Preventive action: Legal department added HGU reporting to the relevant agencies in monitoring external report</p> <p>Auditor conclusion: 24 August 2016 The Company showed a letter to BPN associated with reports of the use of the concession and has been accepted by the BPN province of North Sumatra on 3 August 2016.</p> <p>Based on the corrective action, NC</p>	Closed	24 August 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							No. 2016.1 is closed		
2016.2	4.1.4	Traceability of third party FFB The company could not show SOP for third-party FFB sourcing.	PT ANJ Agri Siais	Major	21 September 2016	The company should provide SOP for third-party FFB sourcing	Root cause: The Company do not have procedures which regulates FFB supplier selection. Corrective action (+evidence) 24 August 2016 The company has made the procedures which regulates the selection of the FFB supplier contained in SOP of requirements into FFB supplier (ANJA-F & A-SOP31) Preventive action: The company ensures implement of procedures that regulate the selection of the FFB supplier. Auditor conclusion: 24 August 2016 Procedure requirements into FFB supplier (ANJA - F & A - SOP 31) on 2016 which explains the head of sales and commercial department ensure that the FFB supplier which accepted must meet requirements such as FFB comes from sources that can be accounted for.	Closed	24 August 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							Based on the corrective action, NC No. 2016.2 is closed		
2016.3	4.6.1	Justification of all pesticides used The company could not show the procedure of procurement of pesticides used.	PT ANJ Agri Siais	Major	21 September 2016	The company should provide the procedure of procurement of pesticides used.	Root cause: The company could not show the procurement procedures of pesticides used. Corrective action (+evidence) 24 August 2016 The company has made the procedures of procurement of pesticides that explained in Internal Memo No. 43 / GMO / Siais / IM / VIII / 2016 on 1 August 2016. Preventive action: Purchasing Officer Company through monitoring of pesticides used in accordance with applicable regulations. Auditor conclusion: 24 August 2016 The Company has demonstrated an internal memo which regulates the procurement of pesticides. Based on the document noted that: <ul style="list-style-type: none"> The pesticide used on the recommendation of agronomy 	Closed	24 August 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							/ Research and Development Department <ul style="list-style-type: none"> Pesticides used should be listed in the registration book of agriculture and forestry pesticides. If permission list / distribution of pesticides expires, the supplier can demonstrate the process to obtain a license extension. Purchasing officer is obliged to monitor the chemicals used each year and if there new pesticides to be used. Based on the corrective action, NC No. 2016.3 is closed		
2016.4	4.7.3	PPE Provision Based on verification of PPE Facility procedure No. CP-HR&GA-027 known that PPF provided by company, if damage occurs before the lifetime, employee must repair or replace the APD worth remainder of the age of the APD price. The procedure is not able to ensure the provision of safety equipment to employees if it is damaged, Including not been set related to the	PT ANJ Agri Siais	Major	21 September 2016	The company should provide procedure and implementation PPE provision to workers and PPE provision if damage, include the use of PPE for contractors who work in the company's operation area.	Root cause: <ul style="list-style-type: none"> The company has not provided PPE (boots) for workers. The Company has not been able to show the rules for use of PPE to the CPO transporter. Corrective action (+evidence) 24 August 2016 <ul style="list-style-type: none"> The company provides 	Closed	8 September 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		<p>use of safety equipment in the workplace companies by workers CPO contractors such as transport workers.</p> <p>According to interviews with the harvest workers, fertilizer, spraying and pest officers stated that they did not get safety equipment (shoes) from the company. The management also can not show evidence has provided footwear PPE to employees are concerned, where as the use of shoes safety procedure No.SOP SOP - EHS - 016 set that footwear PPE provided by the company.</p>					<p>footwear PPE for workers.</p> <ul style="list-style-type: none"> The Company has an obligation to use PPE for contractors of Transport CPO that set out in the Safety Manual Operations are Palm Oil (MAN-EHS-003) and has been disseminated to the contractor. <p>Preventive action:</p> <ul style="list-style-type: none"> The company ensures employees acquire PPE provided by the company. Manager Estate & EHS Officer responsible for it. Company ensures transporter that working in the area of companies using PPE. HRD and security responsible for it. <p>Auditor conclusion: 24 August 2016 The Company showed manual for safety operation of the POM (Doc No. Man-EHS-003) for all contractors, guests, employees etc. who entered the mill area should use PPE and follow the rules of safety of the company.</p> <p>The Company showed evidence of</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>socialization dated 1 August 2016 to the driver of CPO and kernel related to the use of PPE and safety SOP.</p> <p>Based on the explanations above, has not been demonstrated:</p> <ul style="list-style-type: none"> • Mechanism for the provision of PPE to employees and ensure the provision of PPE if damaged. • Proof of PPE (shoes) handover have been distributed to employees. <p>Therefore NC No. 2016.4 not yet closed.</p> <p>2 September 2016 The Company showed evidence handover APD boots examples dated 29 August 2016 received directly by employees.</p> <p>Company shows work instruction for PPE Facilities and Work Equipment (WI) document No. IK-CP-HR & QA-027-01 is valid from 1 August 2016. WI mention a few things such as:</p> <ul style="list-style-type: none"> • In Chapter II (definition and limitation) No. 3 that: "The 		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>company provides PPE free basis to workers based on hazards and risks in the workplace".</p> <ul style="list-style-type: none"> • In Chapter III (Procedure) No. 2, namely "... If the PPE is damaged before the lifetime expires, the worker is responsible for repairing or replacing the PPE worth of the rest of lifetime of the PPE price ..." • In Chapter III (Procedure) No. 4, namely: "... If there is PPE damage so the employee reports to the Estate Manager to do the analysis of the causes of damage then create a replacement order to logistis ..." <p>From some point in WI, it remains unclear related to replacement mechanism if the PPE is damaged through no fault of the worker, so in this case the management unit can not guarantee that the PPE provided to employees free basis if it is broken. So NC No. 2016.4 not yet closed.</p> <p>8 September 2016</p>		

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Company shows WI for PPE Facilities and Work Equipment document No. IK-CP-HR & QA-027-01 apply from 1 September 2016. In the WI mention The company provides PPE free basis. Equipment damage due to the use of appropriate functions and purposes, the company will provide a replacement PPE, but if the damage is due to negligence and irregularities so the labor require to replace it.</p> <p>Based on the corrective action, NC No. 2016.4 is closed</p>		
2016.5	5.3.3	<p>Waste management by responsibly</p> <p>Field visit in housing shows that ex chemical containers used to trash can. Based on document review and interview is known that the ex chemical containers purchased from outside.</p> <p>Companies already have mechanism for hazardous waste management, but the procedure for utilization and procurement for material categorized as hazardous</p>	PT ANJ Agri Siais	Minor	ASA-3	The company should provide system to manage utilization and procurement for material categorized as hazardous waste	<p>Root cause: Companies do not have a system that regulates procurement of hazardous waste category (eg, trash receptacles found derived from used packaging agrochemicals)</p> <p>Corrective action (+evidence) 24 August 2016 The company has had SOPs set Hazardous Waste Management (SOP-EHS-009) which states that the prohibition of using the ex pesticide containers to hold water</p>	Closed	24 August 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		waste still not available.					<p>or other purposes, including the use of bins and flowerpots.</p> <p>Preventive action: The company carries out monitoring of the material used as the trash does not come from hazardous waste material.</p> <p>Auditor conclusion: 24 August 2016 The company has had SOPs set Hazardous Waste Management (SOP-EHS-009) which states that the prohibition of using the ex pesticide containers to hold water or other purposes, including the use of bins and flowerpots.</p> <p>Based on the corrective action, NC No. 2016.5 is closed</p>		
2016.6	6.5.2	<p>Work agreement</p> <p>In interviews with the harvester during field visits and interviews with management recognized that there is a system called "family gang" in which the harvester to take his wife as a harvester helper but they do not have a written employment relationship with the company. This</p>	Estate	Major	21 September 2016	The company should provide work agreement to each workers who work for companies.	<p>Root cause: The company run family system in harvest activity where harvest helper have not had labor relations with the company.</p> <p>Corrective action (+evidence) 24 August 2016 The company makes systems where harvest helper must have a</p>	Closed with observation	24 Agustus 2016

No.	Ref Std/ Indikator	Nonconformity	Grade	Area	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		system is also shown by the internal memo General Manager No. 38 / GMO / Siais / IM / VII / 2016 dated 10 June 2016. In this case there are workers who work for companies without letters agreement.					<p>written employment relationship with the company that set out in Internal Memo No. 46 / GMO / Siais / IM / VIII / 2016 concerning Mechanism Family Gang as Harvest Helper issued on 22 August 2016.</p> <p>Preventive action: Harvest helper that employed must have a contract with the company.</p> <p>Auditor conclusion: 24 August 2016 The company makes systems where harvest helper must have a written employment relationship with the company that set out in Internal Memo No. 46 / GMO / Siais / IM / VIII / 2016 concerning Mechanism Family Gang as Harvest Helper issued on 22 August 2016. it will be observed again when the next surveillance for other harvest helpers in overall.</p> <p>Based on the corrective action, NC No. 2016.6 is closed with observation</p>		

3.5.3 Opportunity for Improvement

No	Ref.Std	Description
1	-	Revise all document related to estate merger, such as hectare statement, operation map, workers data, etc.
2	2.2.1	Management unit conduct monitoring to HGU process periodically (Observation) Management unit conduct monitoring to resolution for over planting area (Observation)
3	4.6.5	Periodic evaluation of the foreman competence who worked with chemicals related to the understanding, using, handling and principles of working with chemicals
4	4.7.3	Realize the training program for operators who have not attended the training.
5	4.7.5	- Improve monitoring of the use of the contents of first aid equipment so it can be monitored - Improve the effectiveness of emergency response related socialization to employees
6	5.1.3	Ensuring the implementation reports of the RKL-RPL in accordance with environmental documents
7	5.2.4	Add the location (obviously) the finding of RTE species in the monitoring report
8	5.3.1	Implement the leachate management from empty fruit bunches at mill in accordance with waste management plans (Observation)
9	6.12.1	Define related forced labor and labor trafficking in a policy (Observation)
10	7.3.1	The validation progress of Remediation and Compensation Plan (RACP) for the area opened since November 1, 2005 without preceded by the identification of HCV (Observation)
11	7.3.2	The validation progress of Land Use Change Analysis for the area opened since November 1, 2005 without preceded by the identification of HCV in accordance with RACP Procedure (Observation)

3.5.4 Noteworthy Positive Components

No	Ref.Std	Description (<i>Penjelasan</i>)
1	-	Conserve riparian of Batang Gadis
2	-	Has had ISPO certificate
3	-	Has had certificate of ISO 14001: 2004
4	-	Has had certificate of OHS management system

3.6 Summary of Arising Issues from Public, Management and Auditor Response

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
Plantation and farms Agency of Tapanuli Selatan Districts <ol style="list-style-type: none"> 1. Relation between the company and plantation and farms agency of Tapanuli Selatan Districts is quite good. Reporting has been reported routinely and on time, such as reporting of plantation business development. Beside that communication and information gone smoothly. Request of information always respond. 2. The company has been compiled and implement CSR program to communities around and the benefit has been perceived. The government institution expect CSR geared towards improving the quality of the community's economy. 3. The company have conservation area which managed well and maintained 4. During 2015 – 2016 there is no negative issue from other parties to companies. 5. There is no report of fire in operation area of PT ANJA Siais on 2015 – 2016 6. There is no new permit for develop new area (expansion of the operational area). 	<ol style="list-style-type: none"> 1. The company will maintain the relation that has existed as well. 2. The company on 2013 has conducted community development (farms of duck, fish and chilli cultivation). On 2016 the community development program has been budgeted and soon the assessment for determine the potential economic for communities around. The program will be implemented in a sustainable manner. 3. The Company maintains and manages conservation well. 4. The company is still trying to run the operation well. 5. During 2015 – 2016 there is no report of fire in operation area of PT ANJA Siais. The company conduct monitoring of fire and increasing resources of emergency response teams and fire-fighting equipment. 6. PT ANJA Siais did not propose new permit or expand the operation area 	<p>In accordance with criteria 1.1; 1.2; 2.1; 5.2; 5.5; 6.2; 6.11 and principle 7</p>
Manpower, Transmigration and Social Agency of Tapanuli Selatan Districts <ol style="list-style-type: none"> 1. The company has a good relationship and a very cooperative with agency. 2. The Company has been carrying out its obligations regarding 	<ol style="list-style-type: none"> 1. The company will maintain the relation that has existed as well 2. The company had fulfilled the obligation such as 	<p>In accordance with criteria 1.1; 2.1; 6.2; 4.7; 6.5 and 6.7</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>the payment of minimum wage to workers.</p> <p>3. During 2015 to 2016 there has been no report related to industrial relations problems between the company and its employees</p> <p>4. Reporting has been reported routinely and on time such as OHS guiding committee report.</p> <p>5. There is no issue related to underage worker</p> <p>6. In 2014 there is a record of occupational diseases identified on behalf Solihin Simamora. Based on statement from HR estate known that treatment has been conducted, but so far there has been no official report to the agency.</p> <p>7. The company has a agreement with a third party of CPO transport which address these third parties in Padang Sidempuan. The agency not know where the workers registration of third party employment.</p> <p>8. The company has not inform the cooperation relationship between PT PT ANJ Siais and PT Rosdiana</p>	<p>provide wages in accordance with the regulations.</p> <p>3. The company establish a good communication and relationship with employees and agency</p> <p>4. The company conduct reporting routinely and on time</p> <p>5. The company has a procedure not to hire employees under age appropriate regulatory provisions and in implemented well</p> <p>6. On 22 July 20016, the company has been reporting to agency related to handling or progress of resolution cases on behalf Solihin Simamora.</p> <p>7. The Company has informed to the contractor related to the obligations of reporting the workers to the relevant agencies.</p> <p>8. In 2016 the Company did not have a cooperative relationship with PT Rosdiana.</p>	
<p>Environmental bodies of Tapanuli Selatan Districts</p> <p>1. The company has a good relationship with agency and Request of information always respond.</p> <p>2. Obligation of reporting has been reported routinely and on time such as implementation report of RKL-RPL.</p> <p>3. The company has had permit to dispose effluent to water body which valid for 3 years.</p> <p>4. The company has had agreement with licensed transporter and licensed collector of hazardous waste</p> <p>5. There is no issue of environmental issue caused by company operation</p> <p>6. There is no report of fire in operation area of PT ANJA Siais</p>	<p>1. Companies keep in touch and communicate with environmental bodies of Tapanuli Selatan Districts.</p> <p>2. The company had fulfilled the obligation of routine reporting.</p> <p>3. The company had fulfilled the regulation such as had permit to dispose effluent to water body.</p> <p>4. The company manage hazardous waste in accordance with regulation</p> <p>5. The company implement environment management well</p> <p>6. During 2015 – 2016 there is no fires case in</p>	<p>In accordance with criteria 1.1; 2.1; 4.4; 5.2; 5.3; 5.5; and 6.2.</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>on 2015 – 2016</p> <p>7. HCV area in Sibara-bara riparian in a good condition and there are special officer who conduct patrol on the HCV area</p> <p>8. Monitoring of air ambient quality for 2016 not yet conducted, the agency need the clarification</p> <p>9. Environmental bodies not recommend and allow the utilization of hazardous waste. All hazardous waste should be submitted to licensed collector.</p>	<p>operation area of PT ANJA Sia's. The company conduct monitoring of fire and increasing resources of emergency response teams and fire-fighting equipment.</p> <p>7. Management unit has been conducted monitoring of air ambient quality on June 2016 and will be reported in implementation report of RKL-RPL semester II of 2016.</p> <p>8. Ex chemical containers collected in hazardous waste warehouse at central workshop for submitted to licensed collector.</p>	
<p>Land Office of Tapanuli Selatan Districts</p> <p>Letter for stakeholder consultation not submitted to related section cause there is replacement of head office.</p>	-	-
<p>Employee cooperative</p> <p>1) Main activities in cooperative are selling basic needs and saving and loan.</p> <p>2) Cooperative member are all workers.</p> <p>3) The company provides assistance in the form of start-up capital, building facilities, transport for logistics freight from the nearest town, electricity and development efforts.</p> <p>4) Has conducted training activities from Cooperatives Agency of Tapanuli Selatan Districts on May 2016</p> <p>5) Payment of employee dues for cooperative done with automatic.</p>	<p>1. The company continue to assist, support and facilitate the development of employee cooperative</p>	<p>In accordance with criteria 4.8 and 6.5</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
Bipartite Cooperation Institution <ol style="list-style-type: none"> Workers not consider necessary the formation of unions. Bipartite Cooperation Institution plan the regular meeting once a month. Bipartite Cooperation Institution stucture total 24 people consist of 12 representative of workers and 12 representative of management. Socialization of company regulation conducted routine every year, the last socialization was conducted on May 2016 Complaints and grievances mechanism arranged through formal communication channels. Complaints submitted to the supervisor and HR with a response time maximum 3 months. The complaints mechanism is guaranteed in the form of whistle blowing system where claimants can directly report to the internal audit department at head office by sms or email. Socialization of employee ethical value delivered by champion team to employees at morning breafing. All workers has been appointed as permanent employees and guaranteed in employment and health insurance 	<ol style="list-style-type: none"> The Company has a policy to employees for the right to form and join trade unions. The company has a complaints procedure and the employees have been socialized The Company has a corporate code of ethics that must be executed either through the work program of value champion and socialized to employees The Company has registered all employees as members of Social Insurance Agency for health and employment 	<p>In accordance with criteria 4.7; 6.3; 6.6 and 6.9</p>
Committee of Sexual Harassment Handling <ol style="list-style-type: none"> It has been established since 2013 Terminology sexual abuse have been delivered to the employee. Additionally it has submitted a complaint mechanism to employees. Reproductive rights have been secured and protected, for example menstrual leave and maternity leave rights. The right stated in policies and regulations of company. In 2015-2016 there were recorded cases of abuse listed in 	<ol style="list-style-type: none"> The company has been established the Committee of Sexual Harassment Handling and has been socialized to workers. The company has policy to protect reproductive rights and has been implemented 	<p>In accordance with criteria 6.9</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
the book of complaints and the resolution.		
Local contractor of EFB transport and upkeep work (CV Abadi Jaya) <ol style="list-style-type: none"> 1. Communication goes well between contractor and companies. 2. Cooperation with the company based on the work agreement letter of mutually agreed 3. Wages, safety equipment and health insurance for contractor worker is the responsibility of the contractor. 4. The contractor has been socialized about company's OHS 5. Complaints of contractors related with the slow process of unloading the empty bunch / compost because the damaged of excavator or slicing process from empty bunch to compost which requires much time so that the contractor can not catch the number of trips / tonnage in one day. 6. No complaints related to payment 	<ol style="list-style-type: none"> 1. The company has a contract with CV. Abadi Jaya in terms of transportation of empty bunch and compost and also upkeep and housekeeping. 2. Company require the contractor to run the system related OHS and social insurance 3. PT. ANJ Agri Siais cooperation with PT. Bar Formula in the management of composting. slow-slicing process of compost and excavator repairing has been submitted to the Bar formula and have been addressed and followed up 	In accordance with criteria 4.7 and 6.10
Transporter of FFB, CPO and PK (CV Maju Bersama) <ul style="list-style-type: none"> • Contractor workers paid based on performance • When a vehicle enters the mill, carried out checks on the vehicle and the letter of administration. • CPO and PK sent to Transit Tank of PT ANJA Siais in Padang Sidempuan. 	<p>➤ The company has a contract with CV Maju Bersama in terms of transportation of FFB, CPO and PK and require the contractor to carry out the regulation.</p>	In accordance with criteria 6.10
Head of Lorong Laba Lasiak, Lingkungan Janji Matogu, Pardomuan Village <ol style="list-style-type: none"> 1. Communication goes well between community and 	<ol style="list-style-type: none"> 1. Companies keep in touch and communicate with 	In accordance with criteria 2.2; 2.3; 6.1; 6.2; 6.10;

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>companies.</p> <ol style="list-style-type: none"> Concession boudary of company with the community is quite clear and there is no problem, but there are areas of company information is already embedded that is outside HGU (blocks 14-26) ± 100 Ha. The current condition of the area is left and not cultivated (harvested) by the company and are being made arrangements with the government There has been CSR from companies such as development of mosque and road maintenance. There is no issue related to environmental pollution and fires. There is no indigenous peoples Community could sell the FFB to the company There are no socialization related with RTE species, but socialization related to HCV area has been conducted The company already provides employment opportunities to the local community 	<p>community of <i>lorong labalasiak</i>.</p> <ol style="list-style-type: none"> The company din not conducted harvesting, upkeep, etc and the over planting has been process to environmental and forestry ministry to ensure the land status and pursued completed on 2017. The Company has conducted socialization programs and company policies related sustainability in the stakeholder meeting which was attended by the head of the <i>lorong labalasiak</i> 	<p>6.11</p> <p>Based on document review known that in stakeholder meeting on May 2016 there are socialization about HCV area and RTE species. The stakeholder meeting attended by communities around</p>
<p>Head of <i>Lorong Satu Dolok Manunggal, Lingkungan Janji Matogu, Pardomuan Village</i></p> <ol style="list-style-type: none"> Communication goes well between community and companies. There has been CSR from companies such as celebration of Christmas and New Year. Concession boudary of company with the community is quite clear and there is no problem. There is no issue related to environmental pollution, fires and conflict with animal. There are no socialization related with RTE species and HCV area. Community could sell the FFB to the company 	<ol style="list-style-type: none"> Companies keep in touch and communicate with community of <i>lorong dolok manunggal</i>. The Company has conducted socialization programs and company policies related sustainability in the stakeholder meeting which was attended by the head of the <i>lorong dolok manunggal, lingkungan janji matogu</i>. The company prioritizes communities around the company in terms of employment 	<p>In accordance with criteria 2.2; 2.3; 6.1; 6.2; 6.10; 6.11</p> <p>Based on document review known that in stakeholder meeting on May 2016 there are socialization about HCV area and RTE species. The stakeholder meeting attended by communities around</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
7) The company already provides employment opportunities to the local community		
Public figure Janji Matogu 1. Communication goes well between community and companies. 2. People around the company consists of settlers, and there are no indigenous peoples in the area of PT ANJ Agri Siais. 3. The company already provides employment opportunities to the local community 4. The company has made a CD / CSR related to the community eg free education, free medical care, improved access roads, aid holidays, etc. 5. It is expected that if there is a land conflicts between communities and the company settled with deliberation 6. Socialization related to HCV area and RTE species has been conducted to community 7. Company has provided an announcement when there is acceptance of new workers	1. Companies keep in touch and communicate with community of <i>Janji Matogu</i> . 2. The Company has conducted socialization programs and company policies related sustainability in the stakeholder meeting which was attended by the head of the <i>lingkungan janji matogu</i> . 3. The company prioritizes communities around the company in terms of employment	In accordance with criteria 2.2; 2.3; 5.2; 6.1; 6.2; 6.10; 6.11
Head of Pardomuan Village 1. There is no dispute and social issue between community and companies. 2. Acceptance of labor from the surrounding area by the company nearly 70%. 3. Socialization related to HCV area and RTE species has been conducted to community 4. There is no issue related to environmental pollution. 5. The company has made a CD / CSR related to the	1. Companies keep in touch and communicate with community of Pardomuan Village 2. The company prioritizes communities around the company in terms of employment. 3. Maintaining environmental management and conservation as well. 4. socialization programs and corporate policies on a regular basis	In accordance with criteria 2.2; 2.3; 5.1; 5.2; 6.1; 6.2; 6.10; 6.11

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>community eg free education, free medical care, improved access roads, aid holidays, etc.</p> <p>6. Communication goes well between community and companies.</p> <p>7. There is no land conflict between community and companies.</p> <p>8. The company is expected to provide counseling and training to oil palm farmers so that farmers can increase the productivity.</p>	<p>5. consistently doing the program of CD / CSR in accordance with the needs of society.</p> <p>6. Every year the company has provided counseling to the community. 2016 company doing counseling in the village of Gunung Baringin, subdistricts of Angkola Selatan.</p>	
<p>FFB Supplier as CSR of Janji Martogu</p> <p>1. The supplier already has a copy of work agreement and work agreement renewed every year. Moreover before signed, work agreement is studied in advance by the supplier.</p> <p>2. The plantation area that became FFB supplier located around PT ANJA such as Binasari and Janji Matogu</p> <p>3. FFB selling paid every day</p> <p>4. The company provides guidance related to became good plantation</p> <p>5. Payments are made on time</p> <p>6. Companies give cash incentives if production to meet targets and the money used for the public</p> <p>7. FFB is not in accordance with company standards are returned to the supplier</p> <p>8. Communication goes well between supplier and companies.</p> <p>9. The company ever give socialization about the prohibition of corruption</p> <p>10. There has never been a conflict between the villagers with wildlife.</p> <p>11. There has never been a conflict between the villagers with</p>	<p>1. Companies keep in touch and communicate with community.</p> <p>2. The company supports the development of cooperative societies as a form of economic improvement and assist the cooperative and also facilitate training by inviting the Department of Cooperatives.</p> <p>3. The company carries out training for the oil palm farmers around the company routinely.</p>	<p>In accordance with criteria 1.3; 2.2; 5.2; 6.2; 6.10; 6.11 and Principle 7</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>companies.</p> <p>12. The company has made a CD / CSR related to the community eg construction of schools, mosques, mass circumcision, free medical care, etc.</p> <p>13. Compensation of land last performed in 2005</p> <p>14. The process of compensation made by negotiation and no coercion.</p> <p>15. No expansion of the company's operations</p>		

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:


PT ANJA Siais
General Manager



Mulkan Nasution

Thursday, 22 September 2016

Mutuagung Lestari
Lead Auditor



Ardiansyah

Thursday, 22 September 2016

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Contact	Date	Response	
						Yes	No
1	Plantation and farms Agency	Tapanuli Selatan Districts	-	Interview	18 July 2016	√	
2	Manpower, Transmigration and Social Agency	Tapanuli Selatan Districts	-	Interview	19 July 2016	√	
3	Environmental bodies	Tapanuli Selatan Districts	-	Interview	19 July 2016	√	
4	Land Office	Padang Sidempuan	-	Interview	19 July 2016		√
5	Employee cooperative	Tapanuli Selatan Districts	-	Interview	20 July 2016	√	
6	Bipartite Cooperation Institution	Tapanuli Selatan Districts	-	Interview	20 July 2016	√	
7	Committee of Sexual Harassment Handling	Tapanuli Selatan Districts	-	Interview	20 July 2016	√	
8	Local contractor of EFB transport and upkeep work (CV Abadi Jaya)	Tapanuli Selatan Districts	-	Interview	20 July 2016	√	
9	Transporter of FFB, CPO and PK (CV Maju Bersama)	Tapanuli Selatan Districts	-	Interview	20 July 2016	√	
10	Head of <i>Lorong Laba Lasiak, Lingkungan Janji Matogu</i>	Pardomuan Village	-	Interview	19 July 2016	√	
11	Head of <i>Lorong Satu Dolok Manunggal, Lingkungan Janji Matogu</i>	Pardomuan Village	-	Interview	19 July 2016	√	
12	Public figure Janji Matogu	Pardomuan Village	-	Interview	19 July 2016	√	
13	Head of Pardomuan Village	Pardomuan Village		Interview	19 July 2016	√	
14	FFB Supplier as CSR of Janji Martogu	Pardomuan Village		Interview	19 July 2016	√	
15	Conservation International	Jakarta	ciindonesia@conservation.org	email	12 July 2016		√

Appendix 2. Assessment Program

DATE / TANGGAL	18 – 23 July 2016	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
Monday/Senin, 18 July 2016		
08.50 – 11.00	JAKARTA → SIBOLGA	• ARD / LN / SM / AND
11.00 – 21.00	SIBOLGA → PT.ANJA SIAIS	• LN / SM
11.00 – 16.00	SIBOLGA → PADANG SIDEMPUAN	• ARD / AND
19.00 – 21.00	Stakeholders consultation to Related Government Institution at Tapanuli Selatan District – Plantation and farms Agency.	• ARD / AND
Tuesday/Selasa, 19 July 2016		
07.30 – 08.00	Opening Meeting	• LN / SM
08.00 – 16.00	Stakeholders consultation to Related Government Institution at Tapanuli Selatan District - Manpower, Transmigration and Social Agency; Environmental bodies; Land Office	• ARD / AND
08.00 – 12.00	Stakeholders consultation to Company surrounded village and community leader - Lorong Laba Lasiak; Lorong Satu Dolok Manunggal; Lingkungan Janji Matogu; Pardomuan Village	• LN / SM
12.00 – 14.00	BREAK	
14.00 – 17.00	<ul style="list-style-type: none"> • RSPO & ISPO Document Review and Review of Previous Visit Non-conformance (Stage-1/Stage-2/ASA-1) • Clarification of Public Consultation 	• LN / SM
16.00 – 20.00	PADANG SIDEMPUAN → PT.ANJA SIAIS	• LN / SM • ARD / AND
Wednesday/Rabu, 20 July 2016		
08.00 – 12.00	Field Observation to Lembah Subur Selatan Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, best agricultural practices • Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect.. 	• ARD / AND • LN / SM
12.00 – 14.00	BREAK	
14.00 – 16.00	<ul style="list-style-type: none"> • Continue Field Observation to Lembah Subur Selatan Estate and field observation clarification 	• ARD / LN / SM / AND
16.00 – 17.00	<ul style="list-style-type: none"> • RSPO & ISPO Document Review and Review of Time Bound Plan 	• ARD / LN / SM / AND
Thursday/Kamis, 21 July 2016		
08.00 – 12.00	Field Observation to Lembah Subur Utara Estate <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, IPM, best agricultural practices • Worker Welfare (payments, complaint mechanism) • Hazardous Waste Material (B3) management • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and • Land Fire facilities, Storage, ect.. 	• AND / SM

DATE / TANGGAL	18 – 23 July 2016	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
08.00 – 12.00	ANJA Siais POM. WWTP (IPAL), Operational, K3 (OHS), Supply Chain, Hazardous Waste Material (B3) management	• ARD / LN
12.00 – 14.00	BREAK	
14.00 – 16.00	• Continue Field Observation to Lembah Subur Utara Estate and field observation clarification	• ARD / LN / SM / AND
16.00 – 17.00	• RSPO & ISPO Document Review and Review of Previous Visit Non-conformance (Stage-1/Stage-2/ASA-1)	• ARD / LN / SM / AND
Friday/Jumat, 22 July 2016		
08.00 – 10.00	• Completion of checklist and Partial Certification Document Review	• ARD / LN / SM / AND
10.00 – 11.30	• Audit finding preparation	• ARD / LN / SM / AND
12.00 – 14.00	BREAK	
15.00 – 17.00	• Closing Meeting	• ARD / LN / SM / AND
Saturday/Sabtu, 23 July 2016		
05.00 – 09.00	PT.ANJA SIAIS → SIBOLGA	• ARD / LN / SM / AND
12.30 – 14.40	SIBOLGA → JAKARTA	• ARD / LN / SM / AND