

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

☐ Stage-1   ☐ Stage-2   ☐ Surveillance   ☒ Re-Certification

Name of Management Organisation : Samsam Mill, PT Ivomas Tunggal subsidiary of Golden Agri Resources Ltd.  
Plantation Name : PT Ivomas Tunggal, Samsam Estate, Palapa Estate and Kandistasari Estate  
Location : Bekalar Village, Sub District of Kandis, District of Siak, Riau Province, Indonesia

Certificate Code : **MUTU-RSPO/031**

Date of Certificate Issue : 14 October 2018

Date of License Issue : 14 October 2018

Date of Certificate Expiry : 13 October 2023

Date of License Expiry : 13 October 2019

| Assessment | Assessment Date              | PT. Mutuagung Lestari Auditor                                | Reviewed by        | Approved by         |
|------------|------------------------------|--|--------------------|---------------------|
| Re-Cert    | 25, 26, 28, 29, 30 June 2018 | Ardiansyah (Lead Auditor), Steve Mualim, Hasiholan Sihombing | Ganapathy Ramasamy | Octo HPN Nainggolan |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| Re-Cert    | 27 July 2018                      |

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

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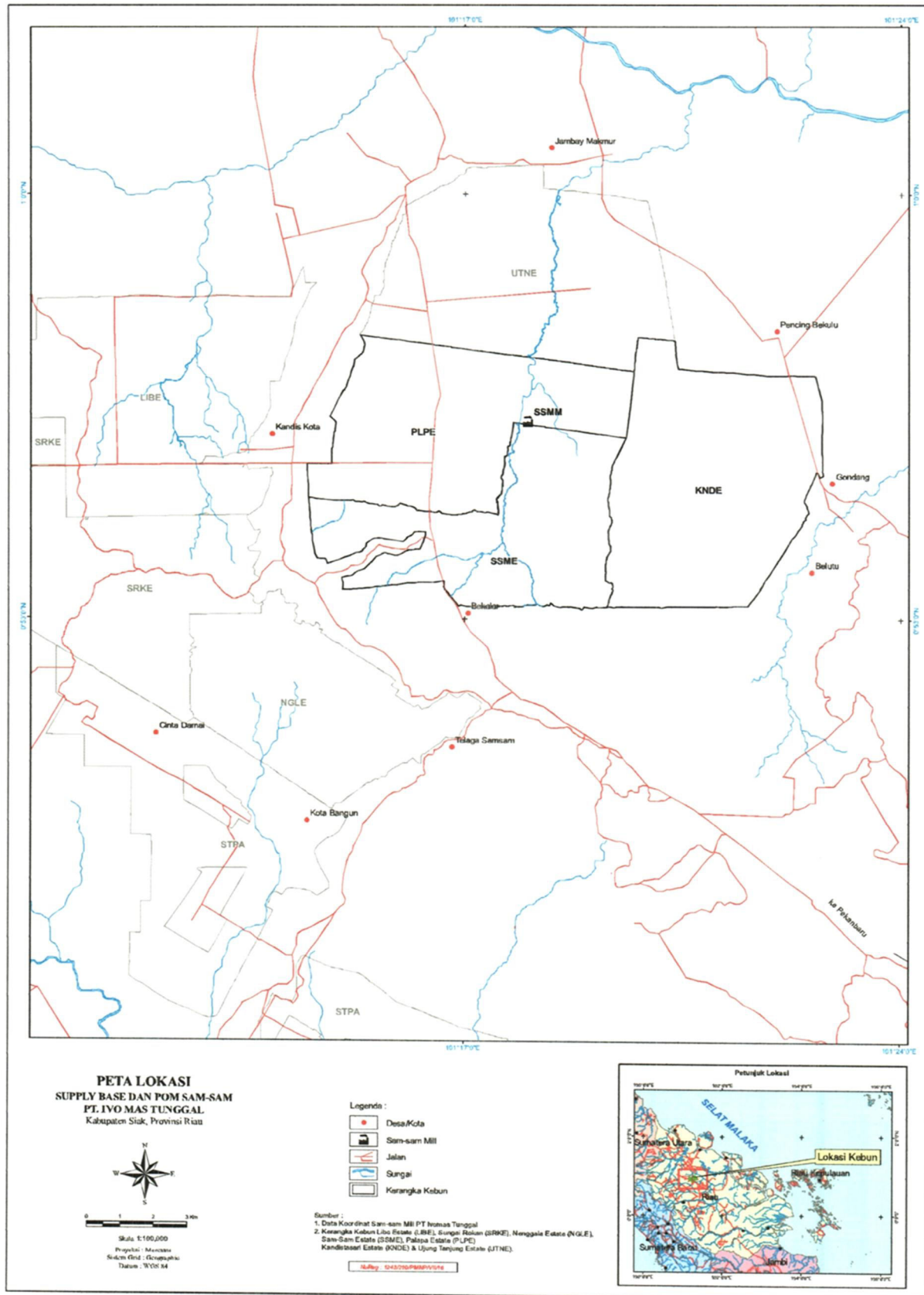
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FIGURE

Figure 1. Location Map of PT. Ivomas Tunggal



Figure 2. Operational Map of PT Ivomas Tunggal – Samsam Mill





**Glossary**

|         |   |
|---------|---|
| ANDAL   | : Analisa Dampak Lingkungan / Environmental Impact Assessment   |
| ASA     | : Annual Surveillance Assessment  |
| BKS PPS | : <i>Badan Kerja Sama Perusahaan Perkebunan Sumatera/ Coopeartion Body of Sumatera Plantation Companies</i>                         |
| BOD     | : Biochemical Oxygen Demand   |
| CD      | : Community Development   |
| CH      | : Certificate Holder  |
| CLA     | : Cooperative Labour Agreement  |
| CPI     | : Caltex Pacific Indonesia  |
| CPO     | : Crude Palm Oil  |
| CSR     | : Corporate Social Responsibility   |
| DPLH    | : Dokumen Pengelolaan Lingkungan Hidup / Environmental Management Document  |
| EBS     | : Empty Bunch Spreader  |
| EFB     | : Empty Fruit Bunch   |
| EIA     | : Environmental Impact Assessment   |
| FFB     | : Fresh Fruit Bunch   |
| GAPKI   | : Gabungan Pengusaha Kelapa Sawit Indonesia   |
| GAR     | : Golden Agri Resources   |
| HIRAC   | : Hazard Identification Risk Assessment Control   |
| HCV     | : High Conservation Value   |
| HGU     | : Hak Guna Usaha(Land Title)  |
| ILO     | : International Labour Organization   |
| IMT     | : Ivo Mas Tunggal   |
| IPM     | : Integrated Pest Management  |
| KNDE    | : Kandistasari Estate   |
| KSBSI   | : <i>Konfederasi Serikat Buruh Sejahtera Indonesia/ Indonesian Labor Union Confederation</i>  |
| KUD     | : Koperasi Unit Desa / Village Cooperatives   |
| LBH     | : Lembaga Bantuan Hukum / Legal Aid Foundation  |
| LIBE    | : Libo Estate   |
| LIBM    | : Libo Mill   |
| MSDS    | : Material Safety Data Sheet  |
| NGLE    | : Nenggala Estate   |
| OHS     | : Occupational Health and Safety  |
| OIA     | : Operational Internal Audit  |
| P2K3    | : Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee   |
| PK      | : Palm Kernel   |
| PKB     | : Perjanjian Kerja Bersama  |
| PKWT    | : Perjanjian Kerja Waktu Tertentu   |
| PLPE    | : Palapa Estate   |
| POM     | : Palm Oil Mill   |
| POME    | : Palm Oil Mill Effluent  |
| PPE     | : Personal Protective Equipment   |
| PT      | : <i>Pekerja Tetap / Permanent Worker</i>   |
| PSM     | : Perusahaan Sinar Mas  |
| RKL-RPL | : <i>Rencana Pengelolaan Lingkungan-Rencana Pemantauan Lingkungan / Environmental Management Plan-Environmental Monitoring Plan</i> |
| RSPO    | : Roundtable Sustainable Palm Oil   |
| RTE     | : Rare, Threatened or Endanger  |
| SIA     | : Social Impact Assessment  |
| SOP     | : Standart Operating Procedure  |

|           |   |  |
|-----------|---|--|
| SPO       | : | Sustainable Palm Oil   |
| SPPP-SPSI | : | <i>Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia/ Agricultural Workers Union - Indonesian Workers Union</i> |
| SPPI      | : | <i>Serikat Perjuangan Pekerja Indonesia/ United Struggle of Indonesian Workers</i>   |
| SRKE      | : | Sei Rokan Estate   |
| SSME      | : | Samsam Estate  |
| SSMM      | : | Samsam Mill  |
| UTNE      | : | Ujung Tanjung Estate   |
| UTJM      | : | Ujung Tanjung Mill   |
| WTP       | : | Water Treatment Plant  |
| WWTP      | : | Waste Water Treatment Plant  |

|  |   |  |                   |                  |
|--|---|--|-------------------|------------------|
| <b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b> |   |  |                   |                  |
| <b>1.1 Assessment Standard Used</b>              |   |  |                   |                  |
|  | <ul style="list-style-type: none"> <li><i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30<sup>th</sup> September 2016)</i></li> <li><i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised on 14 June 2017 (Module D for CPO Mill)</i></li> <li><i>RSPO Certification System for Principles and Criteria, Rev 2011</i></li> </ul> |  |                   |                  |
| <b>1.2 Organisation Information</b>              |   |  |                   |                  |
| 1.2.1  | Organisation name listed in the certificate   | PT IVOMAS TUNGGAL Subsidiary of Golden Agri Resources Ltd  |                   |                  |
| 1.2.2  | Contact person  | Ismu Zulfikar  |                   |                  |
| 1.2.3  | Organisation address and site address   | <b>RSPO registered company:</b><br>108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535<br><br><b>Liaison Office:</b><br>Sinar Mas Land Plaza, Tower II, 30th Floor<br>Jl. MH Thamrin No. 51, Jakarta 10350, Indonesia |                   |                  |
| 1.2.4  | Telephone   | (+62-21) 50338899  |                   |                  |
| 1.2.5  | Fax   | (+62-21) 50389999  |                   |                  |
| 1.2.6  | E-mail  | ismu-zulfikar@smart-tbk.com  |                   |                  |
| 1.2.7  | Web page address  | www.smart-tbk.com  |                   |                  |
| 1.2.8  | Management Representative who completed the application for certification   | Ismu Zulfikar<br>(Head of Environmental Departement)   |                   |                  |
| 1.2.9  | Registered as RSPO member   | 1-0096-11-000-00 – 31 March 2011   |                   |                  |
| <b>1.3 Type of Assessment</b>                    |   |  |                   |                  |
| 1.3.1  | Scope of Assessment and Number of Management Unit   | Samsam Palm Oil Mill, Samsam Estate, Palapa Estate, and Kandistasari Estate  |                   |                  |
| 1.3.2  | Type of certificate   | Single   |                   |                  |
| <b>1.4 Locations of Mill and Plantation</b>      |   |  |                   |                  |
| 1.4.1  | Location of Mill  |  |                   |                  |
|  | <b>Name of Mill</b>   | <b>Location</b>  | <b>Coordinate</b> |                  |
|  |   |  | <b>Latitude</b>   | <b>Longitude</b> |
|  | Samsam  | Village of Bekalar, Sub District of Kandis, District of Siak, Riau Province, Indonesia   | N 0° 56' 14"      | E 101° 18' 00"   |
| 1.4.2  | Location of Certification Scope of Supply Base  |  |                   |                  |
|  | <b>Name of Supply Base</b>  | <b>Location</b>  | <b>Coordinate</b> |                  |
|  |   |  | <b>Latitude</b>   | <b>Longitude</b> |
|  | Samsam  | Village of Bekalar, Sub District of Kandis, District of Siak, Riau Province, Indonesia   | N 0° 56' 11"      | E 101° 18' 00"   |

|  |  |   |              |                |
|--|--|---|--------------|----------------|
|  | Palapa                                     | Village of Bekalar, Sub District of Kandis, District of Siak, Riau Province, Indonesia      | N 0° 56' 40" | E 101° 16' 51" |
|  | Kandistasari                               | Village of Belutu Garut, Sub District of Kandis, District of Siak, Riau Province, Indonesia | N 0° 55' 38" | E 101° 21' 05" |
| <b>1.5 Description of Area Statement</b> |  |   |              |                |
| 1.5.1                                    | Tenure                                     |   |              |                |
|  | • State                                    |   | 13,432.09    | Ha             |
|  | • Community                                |   | -            | Ha             |
| 1.5.2                                    | <b>Area Statement</b>                      |   |              |                |
|  | • Total area                               |   | 9,584.57     | Ha             |
|  | • Mature area                              |   | 7,709.19     | Ha             |
|  | • Immature area                            |   | 1,216.30     | Ha             |
|  | • Mill and Emplasmment                     |   | 77.82        | Ha             |
|  | • Trench/ swamp/ river                     |   | 67.51        | Ha             |
|  | • Infrastructure (Housing, Offices, Road)  |   | 322.00       | Ha             |
|  | • Air strip                                |   | 15.52        | Ha             |
|  | • Others area                              |   | 176.23       | Ha             |
|  | • HCV (HCV Areas include to planted area)* |   | 261.71       | Ha             |
| <b>1.6 Planting Year and Cycles</b>      |  |   |              |                |
| 1.6.1                                    | Age profile of planting year               |   |              |                |
|  | Planting Year                              | Hectarage (Ha)  |              |                |
|  |  | SSME  | KNDE         | PLPE           |
|  | 1987                                       | -   | -            | 691.80         |
|  | 1988                                       | 1,107.18  | 821.43       | 468.87         |
|  | 1992                                       | -   | 1,438.22     | -              |
|  | 1993                                       | -   | 1,090.69     | -              |
|  | 2009                                       | -   | -            | 20.90          |
|  | 2010                                       | -   | -            | 56.33          |
|  | 2013                                       | 430.02  | -            | -              |
|  | 2014                                       | 376.54  | -            | 491.42         |
|  | 2015                                       | 715.79  | -            | -              |
|  | Mature                                     | 2,629.53  | 3,350.34     | 1,729.32       |
|  | 2016                                       | -   | -            | 276.07         |
|  | 2017                                       | -   | -            | 755.07         |
|  | 2018                                       | -   | -            | 185.16         |
|  | Immature                                   | -   | -            | 1,216.30       |
|  | TOTAL                                      | 2,629.53  | 3,350.34     | 2,945.62       |
| 1.6.2                                    | New Planting area after January 2010       |   | - Ha         |                |



|   |  |                            |   |                        |  |                                       |                   |
|---|--|----------------------------|---|------------------------|--|---------------------------------------|-------------------|
| 1.6.3                                     | Planting Cycle   |                            |   | 2 <sup>nd</sup> Cycle  |  |                                       |                   |
|   |  |                            |   |                        |  |                                       |                   |
| 1.7 Description of Mill and Supply Base   |  |                            |   |                        |  |                                       |                   |
| 1.7.1                                     | Description of Mill  |                            |   |                        |  |                                       |                   |
|   | Name of Mill   | Capacity<br>(tonnes/ hour) | FFBProcessed<br>(tonnes/year)                         | CPO                    |  | Palm Kernel                           |                   |
|   |  |                            |   | Out put<br>(tonnes)    | Extraction<br>(%)  | Out put<br>(tonnes)                   | Extraction<br>(%) |
|   | Samsam   | 60                         | 185,891.92  | 39,455.56              | 21.20  | 11,335.08                             | 6.09              |
|   | * Source: Production data from June 2017 – May 2018              |                            |   |                        |  |                                       |                   |
| 1.7.2                                     | Description of Certification Scope of Supply Base                |                            |   |                        |  |                                       |                   |
|   | Name of Estate   | Total Area<br>(Ha)         | Planted Area<br>(Ha)                                  | FFB<br>(tonnes/year)   | Yield<br>(tonnes/<br>ha/ year)                                     | Supplied to Mill                      |                   |
|   |  |                            |   |                        |  | FFB<br>(tonnes/year)                  | %                 |
|   | Samsam   | 2,812.13                   | 2,629.53  | 18,511.57              | 11.03  | 18,222.94                             | 98                |
|   | Palapa   | 3,209.80                   | 2,945.62  | 34,381.24              | 19.93  | 31,873.47                             | 93                |
|   | Kandistasari   | 3,562.64                   | 3,350.34  | 72,128.01              | 21.53  | 70,676.78                             | 98                |
|   | TOTAL  | 9,584.57                   | 8,925.49  | 125,020.82             | 18.51  | 120,773.19                            | 97                |
|   | * Source: Production data from June 2017 – May 2018              |                            |   |                        |  |                                       |                   |
| 1.7.3                                     | FFB description from other source                                |                            |   |                        |  |                                       |                   |
|   | Name of sources/Organisation<br>(RSPO certified / non-certified) |                            | Type of Organisation                                  | Number of smallholders | Production Area (Ha)   | Supplied to Mill<br>FFB (tonnes/year) |                   |
|   | Ujung Tanjung Estate (RSPO Certified)                            |                            | PT Ivomas Tunggal                                     | -                      | 2,725.06   | 55,266.53                             |                   |
|   | Libo Estate (RSPO Certified)                                     |                            | PT Ivomas Tunggal                                     | -                      | 4,428.91   | 1,770.33                              |                   |
|   | Sei Rokan Estate (RSPO Certified)                                |                            | PT Ivomas Tunggal                                     | -                      | 3,914.98   | 2,839.79                              |                   |
|   | Nenggala Estate (RSPO Certified)                                 |                            | PT Ivomas Tunggal                                     | -                      | 2,046.31   | 1,881.98                              |                   |
|   | Rama Bakti Estate (RSPO Certified)                               |                            | PT Ramajaya Pramukti                                  | -                      | 2,706.28   | 3,360.10                              |                   |
|   | TOTAL  |                            |   |                        |  | 65,118.73                             |                   |
|   | * Source: Production data from June 2017 – May 2018              |                            |   |                        |  |                                       |                   |
| 1.7.4                                     | Product categories   |                            |   |                        | FFB, CPO, PK   |                                       |                   |
|   |  |                            |   |                        |  |                                       |                   |
| 1.8 Estimate Tonnage of Certified Product |  |                            |   |                        |  |                                       |                   |
| 1.8.1                                     | Past Annual Claim Certified Product                              |                            | Last Year Projected Certified Volume<br>(tonnes/year) |                        | Actual certified product<br>June 2017 to May 2018<br>(tonnes/year) |                                       |                   |
|   | • FFB Process  |                            | 186,665   |                        | 185,891.92   |                                       |                   |
|   | • CPO Production   |                            | 39,587  |                        | 39,455.56  |                                       |                   |
|   | • Palm Kernel (PK) Production                                    |                            | 13,979.38   |                        | 11,335.08  |                                       |                   |

|                                 |  |                               |                                    |  |                               |                         |                       |                            |
|---------------------------------|--|-------------------------------|------------------------------------|--|-------------------------------|-------------------------|-----------------------|----------------------------|
| 1.8.2                           | Product selling  |                               |                                    |  |                               |                         |                       |                            |
|                                 | Tonnage of selling product   |                               |                                    | Period of actual selling product June 2017 to May 2018 |                               |                         |                       |                            |
|                                 | • CSPO sold as RSPO certified product  |                               |                                    | 24,616.45  |                               |                         |                       |                            |
|                                 | • CSPK sold as RSPO certified product  |                               |                                    | 9,022.08   |                               |                         |                       |                            |
|                                 | • CSPO sold under other scheme   |                               |                                    | 12,861.91  |                               |                         |                       |                            |
|                                 | • CSPK sold under other scheme   |                               |                                    | -  |                               |                         |                       |                            |
|                                 | • CSPO sold as conventional  |                               |                                    | -  |                               |                         |                       |                            |
|                                 | • CSPK sold as conventional  |                               |                                    | -  |                               |                         |                       |                            |
|                                 |  |                               |                                    |  |                               |                         |                       |                            |
| 1.8.3                           | Estimate of Certified FFB Claim  |                               |                                    |  |                               |                         |                       |                            |
|                                 | <b>Name of Estates</b>   | <b>Total Area (Ha)</b>        | <b>Planted Area (Ha)</b>           | <b>FFB (tonnes/year)</b>                               | <b>Yield (tonnes/ha/year)</b> |                         |                       |                            |
|                                 | Samsam   | 2,812.13                      | 2,629.53                           | 23,494   | 14.00                         |                         |                       |                            |
|                                 | Palapa   | 3,209.80                      | 2,945.62                           | 34,507   | 20.00                         |                         |                       |                            |
|                                 | Kandistasari   | 3,562.64                      | 3,350.34                           | 73,707   | 22.00                         |                         |                       |                            |
|                                 | <b>TOTAL</b>   | <b>9,584.57</b>               | <b>8,925.49</b>                    | <b>131,708</b>   | <b>19.50</b>                  |                         |                       |                            |
|                                 | <i>*Projected FFB production for 14 October 2018 – 13 October 2019</i>   |                               |                                    |  |                               |                         |                       |                            |
| 1.8.4                           | Estimate of Certified Palm Product Claim   |                               |                                    |  |                               |                         |                       |                            |
|                                 | <b>Name of Mill</b>  | <b>Capacity (tonnes/hour)</b> | <b>FFB Processed (tonnes/year)</b> | <b>CPO</b>   |                               | <b>Palm Kernel</b>      |                       | <b>Supply Chain Module</b> |
|                                 |  |                               |                                    | <b>Out put (ton)</b>                                   | <b>Extraction (%)</b>         | <b>Out put (tonnes)</b> | <b>Extraction (%)</b> |                            |
|                                 | Samsam   | 60                            | 131,708                            | 28,317   | 21.50                         | 7,902                   | 6.00                  | IP                         |
|                                 | <i>* Projected CSPO and CSPK production for 14 October 2018 – 13 October 2019</i>  |                               |                                    |  |                               |                         |                       |                            |
| <b>1.9 Other Certifications</b> |  |                               |                                    |  |                               |                         |                       |                            |
|                                 | <ul style="list-style-type: none"><li>ISCC from Mutuagung Lestari period 2018 – 2019</li><li>Indonesian Sustainable Palm Oil (ISPO) periods 2013-2018 by PT Mutu Agung Lestari</li></ul> |                               |                                    |  |                               |                         |                       |                            |
|                                 |  |                               |                                    |  |                               |                         |                       |                            |
| <b>1.10 Time Bound Plan</b>     |  |                               |                                    |  |                               |                         |                       |                            |
| 1.10.1                          | <b>Time Bound Plan for Other Management Units</b>  |                               |                                    |  |                               |                         |                       |                            |
|                                 | <b>Management Unit</b>   |                               | <b>Estate (Supply Base)</b>        | <b>Time Bound Plan</b>                                 | <b>Location</b>               | <b>Status</b>           |                       |                            |
|                                 | <b>Mill</b>  | <b>Time Bound Plan</b>        |                                    |  |                               |                         |                       |                            |
|                                 | Pangkalan Panji (PT Sawit Mas Sejahteras)  | 2013                          | Sawit Mas Estate                   | 2013   | South Sumatera                | Certified               |                       |                            |
|                                 | Bumi Sawit Mill (PT Bumi Sawit Permai)   | 2013                          | Bumi Sawit Estate                  | 2013   | South Sumatera                | Certified               |                       |                            |
|                                 | Muara Kandis Mill (PT Djuanda  | 2013                          | Muara Tawas Estate                 | 2013   | South Sumatera                | Certified               |                       |                            |
|                                 |  |                               | Muara Kandis Estate                | 2013   | South Sumatera                | Certified               |                       |                            |

|   |      |   |      |                    |           |
|---|------|---|------|--------------------|-----------|
| Sawit Lestari)                                    |      | Muara Kandis Estate (HGU on progress – 574.58 Ha) | 2020 | South Sumatera     | -         |
|   |      | Smallholder (KKPA Pandawa)                        | 2019 | South Sumatera     | -         |
|   |      | Smallholder (Pandawa Plasma)                      | 2019 | South Sumatera     | -         |
| Sungai Rungau Mill (PT Sumber Indah Perkasa)      | 2013 | Sungai Rungau Estate                              | 2013 | Central Kalimantan | Certified |
|   |      | Sungai Seruyan Estate                             | 2013 | Central Kalimantan | Certified |
|   |      | Terawan Estate                                    | 2013 | Central Kalimantan | Certified |
|   |      | Tangar Estate                                     | 2013 | Central Kalimantan | Certified |
|   |      | Bukit Tiga Estate                                 | 2013 | Central Kalimantan | Certified |
| Bukit Perak EMIII (PT Bumi Permai Lestari)        | 2013 | Bukit Perak Estate                                | 2013 | Bangka Belitung    | Certified |
|   |      | Bukit Permata Estate                              | 2013 | Bangka Belitung    | Certified |
| Tanjung Kembiri Mill (PT Forestalestari Dwikarya) | 2013 | Tanjung Kembiri Estate                            | 2013 | Belitung           | Certified |
|   |      | Tanjung Rusa Estate                               | 2013 | Belitung           | Certified |
|   |      | Tanjung Rusa KKPA                                 | 2019 | Belitung           | -         |
| Sungai Buaya Mill (PT Sumber Indah Perkasa)       | 2014 | Sungai Buaya Estate                               | 2014 | Lampung            | Certified |
|   |      | Smallholder (KKPA Gedung Aji Lama)                | 2014 | Lampung            | Certified |
|   |      | Smallholder (KKPA Mesuji)                         | 2014 | Lampung            | Certified |
| Sungai Merah Mill (PT Sumber Indah Perkasa)       | 2014 | Sungai Merah Estate                               | 2014 | Lampung            | Certified |
|   |      | Smallholder (KKPA Gedung Aji Baru)                | 2014 | Lampung            | Certified |
| Kasuari Mill (PT Sinar Kencana Inti Perkasa)      | 2018 | Cendrawasih Estate                                | 2018 | Papua              | ST-1      |
|   |      | Nuri Estate                                       | 2018 | Papua              | ST-1      |
|   |      | Rajawali Estate                                   | 2018 | Papua              | ST-1      |
|   |      | Mambruk Estate (PT Sumber Indah Perkasa)          | 2018 | Papua              | ST-1      |
| Pekawai Mill (PT Agrolestari Mandiri)             | 2018 | Kayung Estate                                     | 2018 | West Kalimantan    | ST-1      |
|   |      | Pekawai Estate                                    | 2018 | West Kalimantan    | ST-1      |
|   |      | Sungai Kelik Estate                               | 2018 | West Kalimantan    | ST-1      |
|   |      | Nanga Tayap Estate                                | 2018 | West Kalimantan    | ST-1      |
|   |      | Smallholder (Kayung Plasma)                       | 2019 | West Kalimantan    | ST-1      |
| Kenanga Mill (PT Kencana Graha Permai)            | 2014 | Kencana Estate                                    | 2015 | West Kalimantan    | Certified |
|   |      | Cendana Estate                                    | 2015 | West Kalimantan    | Certified |
|   |      | Kenanga Estate (PT Cahaya Nusa Gemilang)          | 2018 | West Kalimantan    | -         |
|   |      | Delima Estate (PT Kencana Graha Permai)           | 2018 | West Kalimantan    | -         |
|   |      | Gaharu Estate (PT Bangun Nusa Mandiri)            | 2019 | West Kalimantan    | -         |

|   |      |  |      |                    |      |
|---|------|--|------|--------------------|------|
|   |      | Smallholder (Gaharu Plasma)                    | 2019 | West Kalimantan    | -    |
|   |      | Smallholder (Kencana Plasma)                   | 2019 | West Kalimantan    | -    |
|   |      | Smallholder (Kenanga Plasma)                   | 2019 | West Kalimantan    | -    |
| Perdana Mill<br>(PT Binasawit Abadi Pratama)    | 2020 | Perdana Estate                                 | 2020 | Central Kalimantan | ST-1 |
|   |      | Lenggana Estate                                | 2020 | Central Kalimantan | ST-1 |
|   |      | Semandau Estate                                | 2020 | Central Kalimantan | ST-1 |
|   |      | Muara Dua Estate                               | 2020 | Central Kalimantan | ST-1 |
| Kuayan Mill<br>(PT Agrokarya Prima Lestari)     | 2020 | Mentaya Estate                                 | 2020 | Central Kalimantan | ST-1 |
|   |      | Kuayan Estate                                  | 2020 | Central Kalimantan | ST-1 |
|   |      | Bukit Santuhai Estate                          | 2020 | Central Kalimantan | ST-1 |
|   |      | Tajur Beras Estate                             | 2020 | Central Kalimantan | ST-1 |
|   |      | Seranau Estate                                 | 2020 | Central Kalimantan | ST-1 |
|   |      | Sungai Sambon Estate                           | 2020 | Central Kalimantan | ST-1 |
|   |      | Smallholder (Sungai Sambon Plasma)             | 2020 | Central Kalimantan | -    |
|   |      | Sapiri Estate (PT Buana Adhitama)              | 2020 | Central Kalimantan | ST-1 |
|   |      | Bukit Dua Estate (PT Buana Adhitama)           | 2020 | Central Kalimantan |      |
|   |      | Bukit Tunggal Estate (PT Buana Adhitama)       | 2020 | Central Kalimantan |      |
|   |      |  |      |                    |      |
|   |      |  |      |                    |      |
| Belian Mill<br>(PT Paramitra Internusa Pratama) | 2018 | Belian Estate                                  | 2018 | West Kalimantan    | ST-1 |
|   |      | Tengkawang Estate                              | 2018 | West Kalimantan    | ST-1 |
|   |      | Kenari Estate (PT Bangun Nusa Mandiri)         | 2019 | West Kalimantan    | ST-1 |
|   |      | KerANJI Estate (PT Bangun Nusa Mandiri)        | 2019 | West Kalimantan    | ST-1 |
|   |      | Muara Tawang Estate (PT Kartika Prima Cipta)   | 2019 | West Kalimantan    | ST-1 |
|   |      | Kapuas Hulu Estate (PT Persada Graha Mandiri)  | 2018 | West Kalimantan    | ST-1 |
|   |      | Sungai Beran Estate (PT Persada Graha Mandiri) | 2018 | West Kalimantan    | ST-1 |
|   |      | Smallholder (Belian KKPA)                      | 2020 | West Kalimantan    | -    |
|   |      | Smallholder (Tengkawang KKPA)                  | 2020 | West Kalimantan    | -    |
|   |      | Smallholder (Kenari Plasma)                    | 2019 | West Kalimantan    | -    |
|   |      | Smallholders (Kapuas Hulu KKPA)                | 2020 | West Kalimantan    | -    |
|   |      | Kenanga Estate (PT Cahaya Nusa Gemilang)       | 2018 | West Kalimantan    | -    |
|   |      |  |      |                    |      |
|   |      |  |      |                    |      |
| Sungai Kupang Mill                              | 2019 | Sungai Kupang Estate                           | 2019 | South Kalimantan   | -    |
|   |      | Sungai Kupang KKPA                             | 2019 | South Kalimantan   |      |

|   |      |   |      |                    |           |
|---|------|---|------|--------------------|-----------|
| (PT Sinar Kencana Inti Perkasa)                     |      | Senakin Estate                                | 2019 | South Kalimantan   | -         |
| Sungai Kikim Mill (PT Sawit Mas Sejahtera)          | 2019 | Sungai Kikim Estate                           | 2019 | South Sumatera     | -         |
|   |      | Sungai Pangi Estate                           | 2019 | South Sumatera     | -         |
|   |      | Sungai Musi Estate                            | 2019 | South Sumatera     | -         |
|   |      | Sungai Saling Estate                          | 2019 | South Sumatera     | -         |
|   |      | Sungai Enim Estate (PT Bumi Sawit Permai)     | 2019 | South Sumatera     | -         |
|   |      | Sungai Lematang Estate (PT Bumi Sawit Permai) | 2019 | South Sumatera     | -         |
| Tangar Mill (PT Mitra Karya Agroindo)               | 2020 | Sulin Estate                                  | 2020 | Central Kalimantan | -         |
|   |      | Nahiyang Estate                               | 2020 | Central Kalimantan | -         |
|   |      | Katayang Estate                               | 2020 | Central Kalimantan | -         |
|   |      | Sungai Nusa Estate                            | 2020 | Central Kalimantan | -         |
|   |      | Kajui Estate (PT Agro Lestari Sentosa)        | 2020 | Central Kalimantan | -         |
|   |      | Manuhing Estate (PT Agro Lestari Sentosa)     | 2020 | Central Kalimantan | -         |
|   |      | Sungai Ayawan Estate (PT Aditunggal Mahajaya) | 2020 | Central Kalimantan | -         |
| Sungai Magalau Mill (PT Sinar Kencana Inti Perkasa) | 2019 | Sungai Magalau Estate                         | 2019 | South Kalimantan   | -         |
| Jalemo Mill* PT Agro Lestari Sentosa                | 2020 | Balasang Estate                               | 2020 | Central Kalimantan | -         |
|   |      | Jalemo Estate                                 | 2020 | Central Kalimantan | -         |
| Sako Mill* (PT Adi Tunggal Mahajaya)                | 2020 | Sulin Plasma                                  | 2020 | Central Kalimantan | -         |
|   |      | Sapiri Plasma                                 | 2020 | Central Kalimantan | -         |
|   |      | Sako Plasma                                   | 2020 | Central Kalimantan | -         |
| Padang Halaban Mill (PT SMART Tbk)                  | 2011 | Padang Halaban Estate                         | 2011 | North Sumatera     | Certified |
|   |      | Penantian Estate                              | 2011 | North Sumatera     | Certified |
|   |      | Adipati Estate                                | 2011 | North Sumatera     | Certified |
|   |      | Kanopan Ulu Estate                            | 2011 | North Sumatera     | Certified |
| Batu Ampar Mill (PT SMART Tbk)                      | 2012 | Batu Ampar Estate                             | 2012 | South Kalimantan   | Certified |
|   |      | Batu Mulia Estate                             | 2012 | South Kalimantan   | Certified |
|   |      | Sungai Panci Estate                           | 2012 | South Kalimantan   | Certified |
|   |      | Sungai Panci KKPA                             | 2012 | South Kalimantan   | Certified |
| Tanah Laut Mill (PT SMART Tbk)                      | 2012 | Tanah Laut Estate                             | 2012 | South Kalimantan   | Certified |
|   |      | Kinta Pura Estate                             | 2012 | South Kalimantan   | Certified |
| Langga Payung Mill (PT Tapian Nadenggan)            | 2012 | Langga Payung Estate                          | 2012 | North Sumatera     | Certified |
|   |      | Paya Baung Estate                             | 2012 | North Sumatera     | Certified |
|   |      | Normark Estate                                | 2012 | North Sumatera     | Certified |



|   |      |   |      |                    |           |
|---|------|---|------|--------------------|-----------|
| Hanau Mill<br>(PT Tapian Nadenggan)                 | 2012 | Hanau Estate                              | 2012 | Central Kalimantan | Certified |
|   |      | Tasik Mas Estate                          | 2012 | Central Kalimantan | Certified |
|   |      | Tanjung Paring Estate                     | 2012 | Central Kalimantan | Certified |
|   |      | Langadang Estate                          | 2012 | Central Kalimantan | Certified |
|   |      | Medang Sari (PT Satya Kisma Usaha)        | 2018 | Central Kalimantan | -         |
| Semilar<br>(PT Tapian Nadenggan)                    | 2013 | Semilar                                   | 2013 | Central Kalimantan | Certified |
|   |      | Sei Rindu                                 | 2013 | Central Kalimantan | Certified |
|   |      | Mandang                                   | 2013 | Central Kalimantan | Certified |
|   |      | Puri                                      | 2013 | Central Kalimantan | Certified |
| Jak Luay Mill<br>(PT Tapian Nadenggan)              | 2015 | Pantun Mas Estate                         | 2015 | East Kalimantan    | Certified |
|   |      | Pantun Mas KKPA                           | 2018 | East Kalimantan    | -         |
|   |      | Jak Luay Estate                           | 2015 | East Kalimantan    | Certified |
|   |      | Jak Luay KKPA                             | 2018 | East Kalimantan    | -         |
|   |      | Long Buluh Estate                         | 2015 | East Kalimantan    | Certified |
|   |      | Bukit Subur Estate                        | 2015 | East Kalimantan    | Certified |
|   |      | Bukit Subur KKPA                          | 2018 | East Kalimantan    | -         |
| Leidong West Mill<br>(PT MP Leidong West Indonesia) | 2014 | Leidong West Utara Estate                 | 2014 | Bangka Belitung    | Certified |
|   |      | Leidong West Selatan Estate               | 2014 | Bangka Belitung    | Certified |
| Muara Wahau Mill<br>(PT Kresna Duta Agroindo)       | 2014 | Muara Wahau Estate                        | 2014 | East Kalimantan    | Certified |
|   |      | Gunung Kombeng                            | 2014 | East Kalimantan    | Certified |
| Gunung Kombeng Mill<br>(PT Kresna Duta Agroindo)    | 2019 | Gunung Kombeng KKPA                       | 2019 | East Kalimantan    | -         |
| Rantau Panjang<br>(PT Kresna Duta Agroindo)         | 2020 | Rantau Panjang Estate                     | 2020 | East Kalimantan    | -         |
|   |      | Rantau Panjang KKPA                       | 2020 | East Kalimantan    | -         |
| Jelatang Mill<br>(PT Kresna Duta Agroindo)          | 2014 | Bangko Estate                             | 2014 | Jambi              | Certified |
|   |      | Tiga Serumpun KKPA                        | 2019 | Jambi              | -         |
| Pelakar Mill<br>(PT Kresna Duta Agroindo)           | 2019 | Pelakar Estate                            | 2019 | Jambi              | ST-1      |
|   |      | Tiga Serumpun KKPA                        | 2019 | Jambi              | -         |
|   |      | Batang Merangin Estate                    | 2019 | Jambi              | ST-1      |
|   |      | Batang Tembesi Estate                     | 2019 | Jambi              | ST-1      |
| Langling Mill<br>(PT Kresna Duta Agroindo)          | 2014 | Bangko Estate                             | 2014 | Jambi              | Certified |
|   |      | Batang Gading Estate                      | 2019 | Jambi              | -         |
|   |      | Batang Gading KKPA (PT Satya Kisma Usaha) | 2019 | Jambi              | -         |
| Sungai Bengkal                                      | 2015 | Sungai Bengkal                            | 2015 | Jambi              | Certified |

|  |      |   |      |                  |           |
|--|------|---|------|------------------|-----------|
| Mill<br>(PT Satya Kisma<br>Usaha)                |      | Estate  |      |                  |           |
|  |      | Sungai Bengkal KKPA                                     | 2015 | Jambi            | Certified |
|  |      | Muara Kilis Estate                                      | 2015 | Jambi            | Certified |
|  |      | Muara Kilis KKPA  | 2019 | Jambi            | -         |
| Bukit Kapur Mill<br>(PT SMART Tbk)               | 2020 | Bukit Kapur Estate                                      | 2020 | South Kalimantan | ST-1      |
|  |      | Sungai Cantung<br>Estate                                | 2020 | South Kalimantan | ST-1      |
| Samsam Mill<br>(PT Ivomas<br>Tunggal)            | 2009 | Samsam Estate   | 2009 | Siak-Riau        | Certified |
|  |      | Samsam Estate (HGU<br>on progress – 29.09<br>Ha)        | 2020 | Siak-Riau        | -         |
|  |      | Kandista Estate   | 2009 | Siak-Riau        | Certified |
|  |      | Kandista Estate (HGU<br>on progress – 158.46<br>Ha)     | 2020 | Siak-Riau        | -         |
|  |      | Palapa Estate   | 2009 | Siak-Riau        | Certified |
| Libo Mill<br>(PT Ivomas<br>Tunggal)              | 2009 | Libo Estate   | 2009 | Siak-Riau        | Certified |
|  |      | Nenggala Estate   | 2009 | Siak-Riau        | Certified |
|  |      | Nenggala Estate<br>(HGU on progress<br>419.9 Ha)        | 2020 | Siak-Riau        | -         |
|  |      | Sei Rokan Estate  | 2009 | Siak-Riau        | Certified |
|  |      | Sei Rokan Estate<br>(HGU on progress –<br>102.7 Ha)     | 2020 | Siak-Riau        | -         |
| Ujung Tanjung<br>(PT Ivomas<br>Tunggal)          | 2009 | Ujung Tanjung Estate                                    | 2009 | Siak-Riau        | Certified |
|  |      | Ujung Tanjung Estate<br>(HGU on progress –<br>557.3 Ha) | 2020 | Siak-Riau        | -         |
| Naga Sakti Mill<br>(PT Buana<br>Wiralestari Mas) | 2010 | Naga Mas Estate   | 2010 | Kampar-Riau      | Certified |
|  |      | Naga Mas Estate<br>(HGU on process –<br>253.39 Ha)      | 2020 | Kampar-Riau      | -         |
|  |      | Naga Sakti Estate                                       | 2010 | Kampar-Riau      | Certified |
|  |      | Naga Sakti Estate<br>(HGU on process –<br>59.79 Ha)     | 2020 | Kampar-Riau      | -         |
|  |      | Rama Bakti Estate                                       | 2010 | Kampar-Riau      | Certified |
| Kijang Mill<br>(PT Buana<br>Wiralestari Mas)     | 2010 | Kijang Mas Estate                                       | 2010 | Kampar-Riau      | Certified |
|  |      | Kijang Mas Estate<br>(HGU on process –<br>56.07 Ha)     | 2020 | Kampar-Riau      | -         |
|  |      | Kijang Kencana<br>Plasma                                | 2010 | Kampar-Riau      | Certified |
| Ramarama Mill<br>(PT Ramajaya<br>Pramukti)       | 2010 | Ramarama Estate   | 2010 | Kampar-Riau      | Certified |
|  |      | Ramarama Estate<br>(HGU on process –<br>318.76 Ha)      | 2020 | Kampar-Riau      | -         |
|  |      | Amartajaya Plasma                                       | 2010 | Kampar-Riau      | Certified |
| Indra Sakti Mill<br>(PT Meganusa)                | 2011 | Indra Lestari Estate                                    | 2011 | Indragiri-Riau   | Certified |
|  |      | Indra Sakti Estate                                      | 2011 | Indragiri-Riau   | Certified |

|  |  |                     |      |                  |           |
|--|--|---------------------|------|------------------|-----------|
| Inti Sawit)  |  | Indragiri Plasma    | 2011 | Indragiri-Riau   | Certified |
|  |  | Indrasakti Plasma   | 2011 | Indragiri-Riau   | Certified |
| Bumipalma Mill<br>(PT Bumipalma<br>Lestari Persada)  | 2012   | Bumi Lestari Estate | 2012 | Indragiri-Riau   | Certified |
|  |  | Bumi Palma Estate   | 2012 | Indragiri-Riau   | Certified |
|  |  | Bumi Sentosa Estate | 2012 | Indragiri-Riau   | Certified |
| Sawita Mill<br>(PT Sawitakarya<br>Manunggal)   | 2018   | Sawita Estate       | 2018 | South Kalimantan | ST-1      |
| <p>There are revision of time bound plan, the justification from top management is:</p> <ol style="list-style-type: none"><li>1. Pelakar Mill and Rantau Panjang Mill is still process on disclosure &amp; liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process.</li><li>2. Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification.</li><li>3. Sawita Mill had conducted pre assessment RSPO on 2015 and Another entire Management Unit under PT Ivo Mas Tunggal has been RSPO certified.</li><li>4. Rantau Panjang Mill and Estate Unit (Rantau Panjang Estate &amp; Rantau Panjang KKPA) are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2020.</li><li>5. Kilis KKPA as FFB Supplier to Sungai Bengkal Mill are still in the process of HCV Remediation and Compensation Plan (RaCP) related to land clearing above November 2005 without HCV Identifications. In accordance to RSPO requirements, if RaCP proposal not yet approved by RSPO Secretariat. Thus certification target will be postponed year of 2019</li><li>6. PT Kresna Duta Agro (Pelakar Estate, Batang Merangin Estate and Batang Tembesi Estate was stage -1 audit in 2017. There are problem related to zero liability report to RSPO, was no response by RSPO secretariat. The main assessment postpone to 2019.</li><li>7. When the stage -2 conducted on May 2015, there are boundary stones issues in PT Sinar Kencana Inti Perkasa (South Kalimantan). Reconstruction of boundary stones will be finished end of this year, the certification target postpone to 2019.</li></ol> <p>There is revision of time bound plan on 1 October 2017 for HGU on process in PT Ivomas Tunggal (Samsam Estate 29.09 Ha, Kandista Estate 158.46 Ha, Nenggala Estate 419.9 Ha, Sei Rokan Estate 102.7 Ha, Ujung Tanjung Estate 557.3 Ha); PT Rama Jaya Pramukti (Ramarama Estate: 318.76 Ha); PT Buana Wira Lestari (Naga Sakti Estate 59.79 Ha; Naga Mas Estate 253.39 ha and Kijang Estate 56.07 ha). For this area is planned for audit on 2020 because waiting for HGU.</p> |  |                     |      |                  |           |
| 1.10.2   | <b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>                   |                     |      |                  |           |
|  | Samsam Mill receive FFB from own estate and sister company. All supply base has been RSPO Certified. |                     |      |                  |           |

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| <b>2.0 ASSESSMENT PROCESS</b>   |  |
| <b>2.1 Assessment Team</b>  |  |
| <b>Re-Cert</b>  | <p>1. <b>Ardiansyah (Lead Auditor)</b>. Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001:2008), Environmental Management System Certification (ISO 14001:2004), Social Auditing and Conflict Resolution, SA 8000 Awareness. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in bahasa and malay. At the time of audit, has verify aspect of Legality, SCCS and Land Dispute.</p> <p>2. <b>Steve Mualim (Auditor)</b>. Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in bahasa and chinese mandarin. At this time of audit, verified aspects of environmental managemen, transparency and HCV.</p> <p>3. <b>Hasiholan Sihombing (Auditor)</b>. Indonesian citizen. Bachelor of Agriculture Majoring in Agronomy, Agriculture Faculty. He has working experienced for 7 (seven) years since 2009 as an Operational Staff in an Oil Palm Plantation Company in Indonesia. The training he has followed namely: Lead Auditor ISPO, RSPO P&amp;C Lead Auditor Course by Checkmark, SA 8000 Awareness, Quality Management Systems (ISO 9001:2015), Environmental Management Systems (ISO 14001:2015), OHS General Expert, OHSAS 18001:2007, and ISO 17021 &amp; 17065. He has experienced in various audit activities related to the certification system of sustainable palm oil plantation since 2016. During this audit, he assigned to verify management of hazardous&amp;toxic materials. OHS and worker welfare.</p> |
| <b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b> |  |
| <b>2.2.1</b>  | <b>Figure of person days to implement assessment</b>   |
| <b>Re Cert</b>  | <p>Number of auditors : 3 auditor</p> <p>Number of days for RC at site: 5 days</p> <p>Number of working days for RC at site : 15 Working days</p>  |
| <b>2.2.2</b>  | <b>Assessment Process</b>  |
| <b>Re Cert</b>  | <p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Ivomas Tunggal to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised 14 June 2017 (Module D 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 <b>Re-Cert</b> delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (ASA-1.1).</p> <p>Improvement of findings from survaillance assesment findings were observed by auditors at this <b>Re-Cert</b> assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of <b>Re-Cert</b></p>   |

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| The assessment program please find Appendix 2 |  |
| <b>2.2.3</b>                                  | <b>Location of Assessment</b>  |
| <b>Re Cert</b>                                | <p>The number of management units of this activity consists of three (3) estates that supply material FFB to the Samsam Mill. In conducting the assessment, auditor team using formula <math>0.8 \sqrt{y}</math> to determine the sample of and consider the issue of problems arising from the stakeholders as fundamentally and critical. Based on this formula, the team of auditors determine the location of sample is 1 unit mill, 2 estates (Samsam Estate and Palapa Estate).</p> <p><b>Samsam Mill</b></p> <ol style="list-style-type: none"> <li><b>Security Post.</b> Observation and interview related working hours,SCCS, and FFB receiving.</li> <li><b>Weigh Bridge.</b> Observation and interview related weight bridge calibration, SCCS &amp; mass balance awareness.</li> <li><b>Loading ramp.</b> Observation and interview with sortation officer regarding to sortation procedures, record keeping and documentation.</li> <li><b>All processing station (Sterilizer, Hoisting Crane, Thresher, Pressing, Digester, Clarifier).</b> Observation on FFB processing.</li> <li><b>Boiler station.</b> Observation and interview related to OHS, health inspection and operator license. The company was provide all PPE's such as: helmet, mask, safety shoes, and glove.</li> <li><b>Engine room.</b> Observation and interviews related to the competence of workers, medical check up, and implementation OHS.</li> <li><b>Sparepart Warehouse (1 workers).</b> To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards OHS and manpower aspect.</li> <li><b>Chemicals Warehouse.</b> To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect.</li> <li><b>Lubricant Warehouse.</b> To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect</li> <li><b>Hazardous and Toxic Waste Warehouse (1 worker).</b> To observe activities in the warehouse, OHS implementation, checking the permit, balance records, and interview with workers towards technical, OHS and manpower aspect.</li> <li><b>Hydrant.</b> Simulate the facility of emergency.</li> <li><b>Workshop (1 worker).</b> To observe activities in the warehouse, OHS implementation, checking Operator (Welder) Lisence and interview with Foreman and workers towards OHS and manpower aspect.</li> <li><b>Water Treatment Plant (WTP, 1 worker).</b> To observe activities in the WTP Station, OHS implementation, checking flowmeter condition and interview with Foreman and workers towards technical, OHS and manpower aspect.</li> <li><b>Gasoline (Diesel) Station.</b> Observations related to the condition of diesel fuel tanks and diesel fuel management.</li> <li><b>Waste Water Treatment Plant (WWTP, 2 workers).</b> To observe activities in the WWTP Station, OHS implementation, checking flowmeter condition and interview with Foreman and workers towards technical, OHS and manpower aspect.</li> <li><b>Empty Bunch Area (EBA).</b> Observation Empty Bunch Area condition.</li> <li><b>Water intake.</b> Observe the condition of the water pump machine, OHS implementation, checking flowmeter condition and interview with Foreman and workers towards technical, OHS and manpower aspect.</li> </ol> <p><b>Palapa Estate</b></p> <ol style="list-style-type: none"> <li><b>Legal boundary IMT 235 block G03.</b> Observation for legal operational boundary</li> <li><b>Legal boundary IMT 241 block H03.</b> Observation for legal operational boundary</li> <li><b>Replanting block G04.</b> Observation for zero burning and planting activities</li> <li><b>Kandis riparian Block G5/H5.</b> Observation for HCV management</li> <li><b>Legal boundary IMT 08 block J31.</b> Observation for legal operational boundary</li> <li><b>Harvesting block F33, Div III.</b> Observation for BMP aspect, workers welfare, and OHS</li> <li><b>Herbicide application block F33 Div III.</b> Interview about procedure and also worker welfare.</li> <li><b>Road Maintenance block CR G13/14 Div III.</b> Observation for EFB transport management</li> <li><b>Beneficial plant, block I8-9, H8-9, H17,G32, Div I-III.</b> Observation for integrated pest management</li> </ol> |



27. **Barn owl box, block F28, Div III.** Observation for integrated pest management
28. **Sloping Area block I8 Div I.** Observation for best practices on sloping areas
29. **Sparepart Warehouse (1 workers).** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards OHS and manpower aspect.
30. **Chemicals Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect.
31. **Fertilizer Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards OHS and manpower aspect.
32. **Lubricant Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect
33. **Gasoline (Diesel) Station.** Observations related to the condition of diesel fuel tanks and diesel fuel management.
34. **Hazardous and Toxic Waste Warehouse (1 worker).** To observe activities in the warehouse, OHS implementation, checking the permit, balance records, and interview with workers towards technical, OHS and manpower aspect.
35. **Fire Fighter Warehouse.** To observe completeness and readiness of fire fighter equipment.
36. **Workshop (1 worker).** To observe activities in the warehouse, OHS implementation, checking Operator (Welder) Licence and interview with Foreman and workers towards OHS and manpower aspect.
37. **Landfill in Block I10 Division 2.** To observe domestic waste management.
38. **Housing of Spraying System.** Field observations related storage of PPE and handling hazardous materials and toxic waste.
39. **Housing Emplacement:** Observations related to hygiene facilities include sanitation, clean air and complaints if any.
40. **Daycare.** Observation related to given facility, emergency response facilities and interviews with employees in relation to work hours, wages, and access to daily needs, policies, protection of reproductive rights for women workers.
41. **Land Application Block F25 Division 4.** Observation and interview with officers regarding waste water management and employment aspect.

#### Samsam Estate

42. **Legal boundary NC2 block C3.** Observation for boundary marking on non certified areas
43. **Legal boundary NC1 block K33.** Observation for boundary marking on non certified areas
44. **Kandis riparian block K33.** Observation for HCV management
45. **Legal boundary NC13 block K32.** Observation for boundary marking on non certified areas
46. **Legal boundary IMT33 block K43.** Observation for legal operational boundary
47. **Legal boundary IMT 32 block L42.** Observation for legal operational boundary
48. **Harvesting block K44, Div V.** Observation for BMP aspect, workers welfare, and OHS
49. **Herbicide application block K42 Div V.** Interview about procedure and also worker welfare.
50. **Road Maintenance block K47 Div VI.** Observation for EFB transport management
51. **Beneficial plant, block K46-47, Div VI.** Observation for integrated pest management
52. **Barn owl box, block K48, Div VI** Observation for integrated pest management
53. **Sloping Area block K47 Div VI.** Observation for best practices on sloping areas
54. **Sparepart Warehouse (1 workers).** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards OHS and manpower aspect.
55. **Chemicals Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect.
56. **Fertilizer Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards OHS and manpower aspect.
57. **Lubricant Warehouse.** To observe activities in the warehouse, OHS implementation and interview with Foreman and workers towards technical, OHS and manpower aspect
58. **Gasoline (Diesel) Station.** Observations related to the condition of diesel fuel tanks and diesel fuel management.
59. **Hazardous and Toxic Waste Warehouse (1 worker).** To observe activities in the warehouse, OHS implementation, checking the permit, balance records, and interview with workers towards technical, OHS and

|                |   |
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|                | <p>manpower aspect.</p> <p>60. <b>Fire Fighter Warehouse.</b> To observe completeness and readiness of fire fighter equipment.</p> <p>61. <b>Workshop (1 worker).</b> To observe activities in the warehouse, OHS implementation, checking Operator (Welder) Licence and interview with Foreman and workers towards OHS and manpower aspect.</p> <p>62. <b>Central Clinic (1 doctor and 1 paramedic).</b> Observation related to OHS implementation issues, Health insurance and occupational accidents, environment aspect, medical checkup, etc.</p> <p>63. <b>Well Monitor block H23 Division 3 SSME.</b> Field observations and interviews with officers regarding well monitoring management and employment aspect.</p> <p><b>Stakeholder Consultation</b></p> <p>64. Sungai Godang Village, Sakai Tribe. Interviews related to the issue of transparency, environmental pollution, land conflict issue, CH contribution to society and the impact of corporate activities.</p> <p>65. government agencies of Siak district (Plantation agency, Land Office, Environmental agency, Manpower Agency). Interviews related to regulatory compliance, the issue of environmental pollution, land conflict issue and company contributions to the area.</p> |
|                |   |
| <b>2.3</b>     | <b>Stakeholder Consultation and Stakeholders Contacted</b>  |
| <b>2.3.1</b>   | <b>Summary of stakeholder consultation process.</b>   |
| <b>Re Cert</b> | <p>Consultation of stakeholders for PT Ivomas Tunggal held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.mutucertification.com">www.mutucertification.com</a> and <a href="http://www.rspo.org">www.rspo.org</a> on 11 May 2018.</li> <li>2. Public consultation with government agencies of Siak district (Plantation agency, Land Office, Environmental agency, Manpower Agency) on 26 June 2018.</li> <li>3. Public consultation by interview with locals of the nearby village (Sungai Godang Village, Bekalar Village, Sakai Tribe) on 26 June 2018.</li> <li>4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee and local contractor) on 26 June 2018.</li> <li>5. Consultation with NGO (Jikalahari, Walhi and Sawit Watch) via email on 17 June 2018.</li> <li>6. Consultation and interview with LBH Sakai and Head of Sakai Tribe on 4 July 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Ivomas Tunggal</p>   |
| <b>2.3.2</b>   | <b>Stakeholder contacted</b>  |
|                | <i>Please find appendix 1</i>   |
|                |   |
| <b>2.4</b>     | <b>Determining Next Assessment</b>  |
|                | The next visit ( <b>ASA1.1</b> ) will be determined eight to twelve months after this <b>Re-Certification Report is approved.</b>   |

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Samsam Mill – PT Ivomas Tunggal subsidiary of Golden Agri Resources Ltd operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, unit management of Samsam Mill and its supply base already comply with RSPO P&C and SCCS requirements. There were seven (7) opportunities for improvement were identified. Further explanation of assessment result are provided in section 3.5.

MUTUAGUNG LESTARI found that Samsam Mill – PT Ivomas Tunggal complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised 14 June 2017 (Module D for CPO Mill).

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

| Ref Std.                                       | VERIFICATION RESULT of MUTU-Certification  |  |
|--|--|--|
| <b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b> |  |  |
| <b>1.1</b>                                     | <b>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.</b>  |  |
| <b>1.1.1</b>                                   | <p>The company already has a list of stakeholder related / direct contacts with the company. The list of stakeholders includes government agencies in Siak District, Siak District Police, Community Leaders, Customary Institutes (Melayu Adat), Religious Leaders, Indigenous Peoples (Sakai Indigenous People), Youth Leaders, Companies Around Plantation, Trade Unions, Educational Institutions, Suppliers, Contractors and corporate partners, NGOs (NGOs Around the Company). The data is prepared by SPO Region officer as of April 24, 2018.</p> <p>Stakeholder renewal is done once a year or done if there is a change in the arrangement or contact person Stakeholder. The officer who made the renewal was SPO PSM 5 Coordinator.</p> <p>The types of documents accessible and provided to stakeholders are in the list of information for stakeholders. Information is not in the list of information, top management's first consideration is required. It is described in the SOP of Consultation and Communication (SOP-SMART-UMUM-SADP-I-004, dated July 1, 2014), point 2.2. 4 b.</p> <p>In Communication and Consultation SOP No. SOP / SMART / GENERAL / SADVI / 004, July 1, 2014. Delivery period of advice no later than 1 week after letter received (from Unit Head to Department concerned). Response no later than 3 weeks after mail received.</p> <p>The results of public consultations with stakeholders on June 26, 2018 obtained information that they never requested information about operational activities. However, if the village community submits requests for assistance, the company always responds quickly.</p> <p>Socialization to employees regarding the change of position structure and rank of permanent workers in agronomy and mill. This is based on Decree No.036 / MDHR / 11/2017 on the Position and Permanent Workers' Structure in Agronomy</p> |  |

and Mill. This decree describes the structure and rank of Permanent Workers consisting of 4 levels of rank with the lowest rank order to the highest i.e. PT 4 (Executor), PT 3 (Senior Implementer), PT 2 (Regulator), and PT 1 (Regulator Senior). This decision is effective January 1, 2018. **OFI**

### 1.1.2

Communication and Consultation SOP No. SOP / SMART / GENERAL / SADVI / 004, July 1, 2014. Delivery period of advice no later than 1 week after letter received (from Unit Head to Department concerned). Feedback no later than 3 weeks after the letter received.

Requests for information are documented in the communication book. As stated in the communication book there is no incoming letter demanding for information related to the operation of the estate and mill. The results of public consultations with stakeholders obtained information that they never requested information about operational activities. However, if the village community submits requests for assistance, the company always responds quickly.

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|  | <b>Status: Comply</b> |  |
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## 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 a list of public documents described in the document of information list for stakeholders. In the document stated a list of information that can be accessed by the public, such as: certificate of Land use title, HCV report, social impact assessment report, human rights policy etc. Company has SOP Communication and Consultation No. SOP/SMART/GENERAL/SAD VI/004 which explains some documents are confidential and must require permission to access them.

In the Communication and Consultation SOP it is explained that if the requested information is not included in the list of information in the list of information documents to the stakeholders, consideration is required from the top management first. The Company has conducted dissemination to stakeholders regarding SOP Communication and consultation.

Based on interviews with Village head and community, known that the villagers understand how to obtain information from the company. The company maintains records of request for information and responses under book of communications on each unit management. Based on document verification, that's known no information request from stakeholders. There are showed sample of request from villagers (relief fund) and the company has been follow up these request.

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## 1.3

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

### 1.3.1

The Company has a Business Ethics Policy endorsed by RC and PC of PT Ivomas Tunggal on January 03, 2015. This policy expresses a commitment to behave ethically in all transactions and business operations that are guided by the company's shared values, integrity, positive attitude, commitment, continuous improvement, innovation and loyalty and in accordance with the principles of sustainable palm oil plantation management. The policy has been socialized both through a warning board in every residential and divisional office, also delivered during a morning meeting. Based on the results of interviews with contractors civil it is known that they already know the code of ethics in the company, for example ethics in working relationships.

During an interview with workers at SSME, PLPE and SSMM, the worker can explain the understanding of the policy in a language acceptable to the auditor.

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## **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**

CH has shown compliance with laws and regulations, for example:

- Have Land rights in the form of Land Use Title, location permit and plantation business permit for the activities of oil palm plantation and palm oil mills accordance Plantation Act 39/2014 on plantation and Law No. 5 of 1960 on Main Agrarian Regulations (refer to criteria 2.2).
- Report on Development of Plantation Business Activity (LKUP) PT. Ivomas Tunggal for January - December 2017 period pursuant to letter No.1 / IMT / BP / II / 2018 dated February 12, 2018.
- The Management Unit has documents of Financial Statement of PT. Ivomas Tunggal (Parent Entity) for the Years Ended 31 December 2017 audited by Moore Stephens (MIRAWITA SENSI IDRIS) in accordance with a letter from Partner MIRAWATI SENSI IDRIS No. 723 / V / 2018 / LSK / MSId dated May 3, 2018 to the Board of Directors of PT. Ivomas Tunggal. Summary of results from public accountants, among others, shows that revenue is greater than the cost incurred and have been audited with unqualified opinion.
- The Management Unit has evidence of tax payment made by PT.Ivomas Tunggal, namely:
  - Land Tax (255,014,340 m2) and Building (232,382 m2) for the year 2017 amounting to Rp.5,837,033,940.- paid on 8 June 2017.
  - Income Tax Article 21 for fiscal year 2017 of Rp.895,576,322.- paid on 5 June 2018.
  - Income Tax Article 23 for fiscal year 2017 of Rp.814,678,856.- paid on 8 June 2018.
  - Income Tax Article 4 paragraph 2 for fiscal year 2017 amounting to Rp.282.533.394.- paid on 8 June 2018.
  - Surface Water Tax of PT. Ivomas Tunggal (Samsam POM) for January 2016 until December 2017 amounting to Rp.67,235,900.- paid on 1 March 2018.
  - Electricity Taxes PT. Ivomas Tunggal (Samsam POM) for the period of January 2016 until December 2017 of Rp.42,318,699.- paid on 6 April 2018.
- The Certification Unit has comply with minimum wage referring the decree of Riau Governor No. 373/V/2018 (refer to indicator 6.5.1).
- CH has a boiler register of checks, cleaning, and repairs in preventive maintenance documents. Besides that, every year there is an inspection of the condition of equipment and machinery by the OHS supervisor from the labor agency.
- Has had EIA and implement the RKL-RPL document.

Certificate holder can show a copy of the regulations was documented on soft file in the office each unit. Based on interview with the Agency of Siak District, explained that the company has implemented regulations that applicable.

**2.1.2; 2.1.3 and 2.1.4**

Certificate holder's mechanism to ensure compliance should be implemented and stipulated in SOP of Rules and Other Requirements (SOP/SMART/UMUM/SADV/II/002, dated 1 July 2014). This procedure describes the person in charge is SADV (for national level regulations), SPO PSM Officer and SPO Unit Officer (for local level regulations). Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted on February, 19 2018.

**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**

CH has had the land rights in the form of Land Use Title (HGU) for an area of 13,432.09 hectares which consist of 1 certificate HGU. Based on document review and field visit known that management unit has manage a area of 10,069.72 Ha consist of 9,377.58 Ha planted area; 513.45 Ha supporting facilities and 178.69 Ha other area. The rest of



HGU area was include in another certification scope i.e Ujung Tanjung Mill. For this assessment, the scope of certification only 9,584.57 Ha because there are area that not has HGU yet. The progress of land tanure was field inspection by BPN and based on inspection is known that the area is not include in forest area. The progress of land tanure for area that not has HGU was include in partial certification.

Interview with communities and government agencies is known that the CH did not conduct expansion the operation area since last assessment (2017).

### 2.2.2

Management unit has had list and map of boundry stones from National Land Agency. Based on the data, there are 27 pole in Samsam Estate, Palapa Estate and Kandistasari Estate. Management unit have conducted monitoring and maintenance of boundary stones once a month. The monitoring results for 2017 – 2018 showed that all boundary stones in certification scope are in good condition.

Field visit in Palapa Estate and Kandistasari Estate showed that Boundary stones No. IMT 235; IMT 241; IMT 111 and IMT 103 are well-maintained and the boundary stones position is meet with the coordinate. Besides that, CH also maintaining trenches as part of boundary marker.

### 2.2.3; 2.2.4 & 2.2.5

The consultation results with communities (Sungai Godang Villange and Belutu Village) is known that there was no dispute / conflict of land between the company and communities for period 2017 – 2018. But there is complaint from Sakai Riau Legal Aid Foundation related to area which overlap between PT IMT and PT CPI. CH has implemented procedure for conflict resolution which stated that the resolution involve the stakeholder, i.e. the complaint from Sakai Riau Legal Aid Foundation has been mediated by Siak Government, which is done in 16 Nov 2017. Interview with Sakai Riau Legal Aid Foundation and PT IMT known that both parties has report the case to police. The progress of complaint resolving will be observe in next assessment. **OFI**

CH has evidence of land acquisition which conducted since 1986. Based on the document known that the land acquisition process is witnessed by head of villange, head of sub-district and land owner. Based on interview with youth figure of Sakai Tribe and Jambai Makmur Head of Village known that land acquisition has been conducted long time ago in 1986 with no coercion.

### 2.2.6

GAR as parent company of PT Ivomas Tunggal has had policy of Social and Environment which stated “We commit to actively promoting and supporting the responsible resolution of any conflicts involving GAR operation with legitimate concerned at the time underlaying events occurred. This will include working with relevant stakeholders to ensure that a balanced, accountable, mutually agreed and documented conflict resolution system is accesible to smallholders, indigenous peoples, rural communities and other affected parties based in order to deal with complaints, grievances and resolve conflicts to the mutual satisfaction of the parties based on respect for their legal and costumary rights, including to lands and resources and their right to give or withhold their free, prior and informed consent to operation planned on their lands. The system will include the mapping of all conflicts in GAR’s operations, the development of action plans to address indentified conflicts, transparent monitoring and reporting, the option to local community and or customary groups for accesing independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers as well as the option of a third party mediator. We categorically reject the use of violence in any dipute by any parties.”

Consultation with the stakeholders (Sungai Godang Villange and Sakai Tribe), there is no indicate that the company use the mercenary/paramiliter in operation area.

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

CH has had SOP of FPIC which approve by Head of Upstream on 1 July 2014. This procedure is used in the development of oil palm plantations and / or mills in new location permits and development of oil palm plantations and / or factories in existing location permits.

Interview and field visit show that land utilization by CH does not destruct local communities' traditional and legal right. Land ownership is entirely belong to individual or belong to state. The evidence of communities' land release have been well documented and well stored by D&L. The latest land compensation has been conducted in 1986.

Document review, field visit and interview shows that since the last assessment (2017), the company does not perform land expansion.

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| <b>Status: Comply</b> |
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**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 Management Unit has shown longterm management business and budget plan for period 2018-2022. The management staff stated that the business plan are subject to change and review annually by the respective management by considering actual trends and dynamic situation which predicted could be changed in the future. The objective of annual review is to optimize the company resources to obtain a satisfactory goal. Parameters listed on the company long term plan have covered FFB production, CPO and kernel production, production cost, transportation / distribution cost, balance / revenue, tax, IDR and USD depreciation, FFB and CPO price, and currency rates. The longterm plan was extracted more details in annual budget plan which prepared by the Estate Manager.

Based on Environment Evaluation Study which approved by AMDAL (SEIA) Comission from Department of Agriculture No. RC.220/1052/B/VI/93 dated 22 June 1993, it was informed that there were no presence of peat soil within PT Ivomas Tunggal operational areas. Hence, there is no plan related to peat management.

**3.1.2**

The Management Unit can show documents of replanting program in Samsam Estate for period of 2013-2017 with total area of 2,691.25 Ha. The actual replanting up to 2017 has achieved 2,691.25 Ha (100%). In Palapa Estate, the replanting program for period of 2014-2018 with total area of 2,624.90 ha. The actual replanting up to May 2018 has achieved 1,818.69 ha (69.28%). Replanting activity in Palapa Estate continues to be implemented gradually due to plants age that has been exceeded 25 years and the productivity of FFB has decreased (<23 tons FFB ha / year)..

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

The Management Unit has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting formulated by Management Committe Agronomy and Research (MCAR), approved by SMD Ops and valid on 12 June 2012. The SOP documents among others about planning of new area planting, replanting plans, nurseries, land clearing, planting, replanting, pest and disease control, weed control, fertilization, maintenance of immature plant, preparation ahead of harvest, harvesting, loading and transportation of FFB, and measurement of rainfall by ombrometer.

The Management Unit also has a complete SOP related to the processing of palm oil to CPO and PK in the Palm Oil Factory in SOP No. 04/09 / MCMD-SOP / 438 revision to 4. The SOP is authorized by Chairman of MCMD and valid on 1 September 2010. SOP covers standard operational procedures in POM, including FFB Acceptance Station,

Sterilization Activities, Threshing Station, Clarification Station (Purification), Sub-Station of Oil Recovery Tank, Nut and Kernel Station, Boiler, and Engine Room, Water Treatment, Final Effluent, and Storage Tank Wash. In each procedure explain about safe working practices in each activities.

There is also a SOP for Certified Product Identification and Traceability (SOP / SMART / CERS-EHSD / SADV / I / 001) authorized by Head of Upstream dated 1 July 2014.

The SOP is available on audit site (Estate office) and is written in a language that is easily understandable for workers (written in Bahasa Indonesia). The management staff explained that until the assessment of this recertification is implemented there has been no change to the SOP.

The Management Unit has trained / socialized the SOPs to workers. For example, auditor conducted interview with harvesters at Block F33 Division III Palapa Estate and Block K44 Division III Sasam Estate, spraying workers at Block F12 Division III Palapa Estate and Block K42 Division V Samsam Estate, and workers at Loading Ramp Station of Samsam POM. Based on the interviews, it can be concluded that the workers have understood the duties and responsibilities of their works in accordance with the applicable SOP.

#### **4.1.2; 4.1.3**

The Management Unit has a procedure associated with operational internal audit in the SOP-ISCC/IMT/OIA. The SOP approved by VPA and VPM, valid on 1 September 2010. Ensuring consistency of procedures implementation, the Management Unit routinely conduct internal audit activities, both agronomy and processing. It is done by the Department of Operational Internal Audit (OIA) every semester. The Management Unit showed the document records of internal audit on the second semester of 2017 in Samsam POM (Report of OIA No. 43/V-SSMM/12/17), Palapa Estate (Report of OIA No. 56/HVT/12/17), and Samsam Estate (Report of OIA No. 28/V – SSME/09/17). Non-compliance records of internal audit have been corrected and verified by management. The records are available at office of Samsam Estate, office of Palapa Estate, and office of Samsam POM respectively.

#### **4.1.4**

Samsam Mill has record the origins of all FFB source. The result of field visit, document review and interview with the management, known there is no FFB sourced from third party but there is FFB source from own estate that also has been certified but in different certification scope.

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| <b>Status: Comply</b> |
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## **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; 4.2.3**

The Management Unit has had a procedure to manage and maintain soil fertility, such as SOP of Manuring (SOP/SMART/MCAR/IX/TA-PPK) approved by SMD Ops on 12 June 2012. In maintaining soil fertility, the Management Unit conducted manuring activities in accordance with recommendation from research, POME applications, EFB application, and management of plant residue resulting from replanting activities (chipping and stacking for decomposition process) and pruning.

The Management Unit has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit (LSU) analysis to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it is supported by the well-trained census officers in respective estate. SSU is conducted every 5 year for trees with age of 3, 8, 18 and 23years, meanwhile LSU is conducted annually. The last SSU result was issued on 25 June 2015 (32 samples).

Based on the document review, it is known that LSU analysis results have been received from SMARTRI, namely in Samsam Estate (18 samples ) Ref. No. 146/DAUN/LAB-SMARTRI/IV/2017, dated 12 March 2017 and Palapa Estate (20 samples) Ref. No. 106/DAUN/LAB-SMARTRI/III/2017, dated 24 March 2017. The parameters to be analyzed are 6 elements (N, P, K, Mg, Ca, dan B).

**4.2.2; 4.2.4**

Based on document verification and interview with the staff, it is known that manuring program in the first semester of 2018 in Samsam Estate and Palapa Estate has been completed. While for the old plants (to be replanted in 2018) have no longer been manured. According to the procedure (SOP/SMART/MCAR/IX/TA-PPK), there is no manuring activity two years prior to replanting.

The Management Unit has implemented nutrient recycling using EFB, EFB, and plants residue to improve the soil fertility. Samsam POM also utilizes fiber and kernel shells as Boiler fuel.

Based on the document review, it is known that in 2018 (as of May) in Samsam Estate has been applied POME 47,793 m<sup>3</sup>, EFB 13,092 tons (218.20 ha), plant residue resulting from replanting activity (149,465 ha in 2017), and pruning of 754,183 tress (5,772.98 ha). In Palapa Estate has been applied POME 85,887.50 m<sup>3</sup> (343.55ha), plant residue resulting from replanting activity of 296.12 ha (40,272 trees) in 2018. All residual palm trees are chipped and then stacked for decomposition process. In 2018 (up to May), Samsam POM has processed 80,690 tons of FFB and produced 10,068 tons of fibre and 4,640 tons of kernel shell. The worker interviewd in Samsam POM explained that all fibre and kernel shells have been used as fuel for Boiler.

Based on the results of field observation and interview with workers in Block F25 Division IV Palapa Estate, it can be seen that POME application was going on. Worker explained that flowing duration of POME depends on the volume of POME in Water Waste treatment Plant (WWTP). The management of land application and the monitoring has been done well.

Based on field observation and interview with harvesters at Block K44 Division V Samsam Estate and at Block F33 Division III Palapa Estate, it is known that pruning is conducted while doing harvest. Regular pruning was done 2 times per year. Fronds resulting from pruning are adjusted in "U-Shape" in interrow for decomposition process to improve soil fertility.

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| <b>Status: Comply</b> |
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**4.3**
**Practices minimize and control erosion and degradation of soils.**
**4.3.1**

The Management Unit has a semi-detailed soil map of Scale 1: 50,000. The map consists of Land Map Unit (SPT), Soil Classification, Topography (percent and degree), Soil Texture, Depth (solum And effective), Drainage, Land Suitability Classes, Limiting Factors, and Hectarage. Based on the map, there is no fragile soil in the operational area of Samsam Estate and Palapa Estate - PT Ivomas Tunggal. The main limiting factor in Samsam Estate is due soil fertility (2,906.4 ha), while limiting factors in Palapa Estate are due to soil fertility, soil texture, topography, and drainage. In general soil suitability of Samsam Estate and Palapa Estate is classified as slightly suitable (S2).

**4.3.2**

The Management Unit has a semi-detailed soil map of Scale 1: 50,000. The map consists of Land Map Unit (SPT), Soil Classification, Topography (percent and degree), Soil Texture, Depth (solum and effective), Drainage, Land Suitability Classes, Limiting Factors, and Hectarage. Based on the map, topography in Samsam Estate is flat, undulating, rolling, and hilly, while in Palapa Estate is flat, undulating, and rolling. The hilly area (21%-40% topography) in Samsam Estate is 987.29 ha.

The Management Unit has procedure of planting management in specific slope. One of the strategies is regarding the SOP on Land Clearing and Planting (No. SMA/MCAR/05/05-07). The applied management strategies are constructing terrace, contour, conservation terrace, individual terrace with silt pit, and planting of conservation plants. The land management action for particular slope especially that greater than 15% are by maintaining terrace construction, frond stacking surrounding plant circle, weeding surrounding plant circle and interrow, and letting wild plants such as soft fern (*Nephrolepis bisserata*) grow to prevent erosion, and measuring the erosion.

Based on field observation in hilly area at Block K47 Division VI Samsam Estate (replanted area in 2015) and rolling area at Block I8 Division VI Palapa Estate, it can be seen the management strategies, such as of making terrace and stop bund every 50 m and silt pit, planting of LCC (*Mucuna bracteata*), letting the soft fern (*Nephrolepis biserrata*) grow on the terrace wall, and no spraying on terrace wall.

#### 4.3.3

The Management Unit showed the Programs of Road Maintenance in 2018 authorized by the Estate Manager, as well as actual records. Based on Work Monitoring Document of Road Grader, it is known that in 2018 (up to May) the maintenance of main road and collection road at Samsam Estate has been done mechanically 162,950 m length and 320,600 m length in Palapa Estate.

Based on field observation, it is known that road maintenance has been done mechanically in Block G13 / G14 Division III Palapa Estate around 1,000 m length and manual heap road on bridge around 10 m length at Block D09 and Block D10, Division I Samsam Estate. During field observation in operational area of Samsam Estate and Palapa Estate, it was found that road conditions were satisfactory and easily passable by FFB transport unit.

#### 4.3.4; 4.3.5 and 4.3.6

The Management Unit has document of the Environmental Evaluation Study approved by AMDAL (SEIA) Commission of the Department of Agriculture No. RC.220/1052/B/VI/93 dated 22 June 1993. It was informed that there were no presence of peat soil within PT Ivomas Tunggal operational areas. Hence, there is no plan related to peat management.

Besides, based on field observation there is no peatland in the operational area of Samsam Estate and Palapa Estate - PT Ivomas Tunggal.

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#### 4.4

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

##### 4.4.1

The company has a water management plan that take account of the efficiency of use and renewability of sources. That's management plan has described in EIA report Semester 2 of 2017. The plan had drescribed the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan.

According to environment monitoring analysis, it was informed that the company activity has not give negative affect. Moreover, domestic housing well and consumption water from reverse osmosis testing shows that all parameters are accordace with Minister of Health Regulation (*Permenkes*) No. 32/2017.

##### 4.4.2

The company has identified rivers and wetlands inside plantation area. Analysis of HCV containing distribution maps of the river in the area of PT Ivo Mas Tunggal. Based on the identification documents of High Conservation Value (HCV) note that there are several rivers that flow in the area of Samsam Estate and Palapa Estate namely Angek Tapuak River and Kandis River.

All identified buffer zone has been designated as HCV and protected areas. Field observations in Kandis River block K33 and G05 showed evidence of surface water protection measures and including riparian such as:

- Determination of river buffer zone with a distance of 50 meters left-right of small river demarcation of the border is done with the installation of boundary markers.
- Periodic water quality testing every six months (semester) with the parameters of environmental quality standards as stipulated in Government Regulation No. 82 in 2001.
- No chemicals application (fertilizers and herbicides) in the buffer zone area.
- Signboard of river buffer zone protection. Prohibiting the use of chemicals in the river buffer zone.
- Planting riparian with *Guatemala*, *cempaka* and *trembesi* to prevent landslide and erosion.
- Buffer zone not planted for replanting such as in block area K33 and G05 (Kandis River).



Based on the results of the water testing analysis for semester 2 of 2017, the following TSS results in several rivers:

Kandis river (upstream): 8 mg/L.

Kandis river (downstream): 6 mg/L.

Angek Tapuak river (upstream): 7 mg/L.

Angek Tapuak river (downstream): 5 mg/L.

Bekalar river (upstream): 3 mg/L.

Bekalar river (downstream): 6 mg/L.

Quality standard TSS based on PP no 82/2001, class II is 50 mg/L.

#### 4.4.3

Monitoring of BOD has carried out every month regularly and reported to Environment Agency every three month. Evaluation and water sampling in WWTP outlet were carried out by accredited laboratory. Based laboratory testing, it could be concluded that testing results from January 2018 to Mei 2018 were accordance with Regulation of Environment Minister (*PermenLH*) No. 28/2003. Based on observation to WWTP, it was found that flowmeter was well functioned and there were no spills to the land. Furthermore, the company also has land application permit and there is no issues from stakeholders related to land application.

#### 4.4.4

Observations on SamSam mill water treatment plant found monitoring for raw and process water usage was done by officer periodically, and flowmeters at inlet/outlet serves normally.

Procedure for Mill water usage and monitoring are provided and listed on working instructions IK /SMART/MCMD/ I/TM-PKS/19. Water usage monitoring was done periodically and recorded, for example on May 2018 FFB processed 15,365 mt, process water usage 22,352 m<sup>3</sup>, and water usage efficacy was 1.45 m<sup>3</sup>/mt FFB processed. Standards of water usage for FFB process recorded on 2018 budget projected 1,52 m<sup>3</sup>/mt FFB processed.

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#### 4.5

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

##### 4.5.1

The Management Unit has the IPM program. The activities targeted on the program in Samsam Estate and Palapa Estate were detection, census, monitoring of pests and diseases attack, biological control such as installing of barn owl box and planting of beneficial plants, and chemical control of rhinoceros beetle. Chemical control will be conducted just when census result shows that pest infestation / population has been exceeding the economic threshold level. Based on the IPM activity records in 2018 (up to May), the potential pest in Samsam Estate and Palapa Estate are rodent and rhinoceros beetle. There is no leaf caterpillar attack. The census result in Samsam Estate and Palapa Estate showed that rodent attack is still below the economic threshold level (5%) as well as rhinoceros beetle attack is still below the economic threshold level (5 trees / ha).

Though the leaf caterpillar attack is not found, the attack is anticipated by planting and upkeeping beneficial plants, such as *Turnera subulata* and *Antigonon leptopus* along the edge of main road and collection road in Samsam Estate and Palapa Estate. Rodent control was done by installing barn owl box. Currently, there are 14 units of barn owl boxes in Samsam Estate and 68 units in Palapa Estate. Rhinoceros beetle is controlled manually by hand picking of larvae.

Based on field observation in Division I Palapa Estate, it was found that beneficial plants (*Turnera subulata*) are growing well in Block I8 and Block I9 and *Antigonon leptopus* in Block H8 and Block H9. While in Division VI Samsam Estate, *Turnera subulata* and *Antigonon leptopus* are growing well in Block K46 and Block 47.

Observation result of barn owl box done in Palapa Estate (Block F38 Division I) and Samsam Estate (Block K48 Division I) shows that barn owl boxes are in good condition and are still active (inhabited).

The IPM implementation is effectively in controlling pest infestation. Based on the document review, it is known that

pesticide usage has been declined. For instance, the use of *carbosulfan* in Samsam Estate decreased 88.25% i.e from 2,775 lt (2016) to 326.01 lt (2017). Similarly in Palapa Estate, the use of *carbosulfan* decreased 79.87% from 1,649.65 lt (2016) to 332 lt (2017). Also, the rodenticide has not been applied since 2013 in Samsam Estate and Palapa Estate.

#### 4.5.2

There are records of the IPM training conducted by SMARTRI at Ujung Tanjung Training Center, that held on 30 April 2018 attended by 7 employees from Samsam Estate (2 foremen and 5 workers) and on 7 July 2017 attended by 4 employees from Palapa Estate (2 foremen and 2 workers). The training materials was given in Indonesian language comprising of pest detection and census, and pest control method (biological, manual, mechanical, and chemical control). Field visit on Barn owl box installation area, block F28, Div III Palapa Estate and interview with related officers when field visit indicates workers have awareness related pest management using biological agents to reduce chemical usages.

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#### 4.6

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

##### 4.6.1

The Management Unit has SOP and Work Instruction on weeds management. The guidance comprised of chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poisoning and first aid for poisoning case. To ensure pesticide used has been in accordance with the target pest, the Management Unit conducted identification of target pest found in operational area. Based on document verification, it is known that pesticide being used is appropriate for the target pest (weed and insect pest). In 2018 the pesticide used in Samsam Estate are, *methyl metsulphuron*, *amonium gluphosinate*, *isopropil amina glyphosate*, *sypermtrin*, *lamda sihalotrin*, *mankozebe*, *benomil*, and *tiram*. While in Palapa Estate are *amonium gluphosinate*, *isopropil amina glyphosat* and *sypermtrin*. Those pesticide have been permitted by the government.

##### 4.6.2

The Management Unit has the document records of pesticide toxicity in Monthly Pesticide Toxicity Data. It is recorded the product name, active ingredients, LD<sub>50</sub>, percentage of active ingredients, total application, total active ingredients and dosage / ha, FFB production, and pesticide unit. The pesticide toxicity is constantly recorded and is updated monthly by the sustainability officers of estate. For instance, the usage of herbicide on May 2018 in Samsam Estate, namely product name ( Roll Up 480 SL), active ingredient (*isopropil amina glyphosate*), LD<sub>50</sub> (2000 mg/kg), percentage of active ingredient (48%), total applied (392.28 lt), total of active ingredient (188.29 lt), FFB production (1,900.70 tons), and pesticide unit (0.000099066). In Palapa Estate, namely product name ( Erkaforon 20 WP), active ingredient (*ammonium gluphosinate*), LD<sub>50</sub> (5000 mg/kg), percentage of active ingredient (5%), total applied (8.54 lt), total of active ingredient (5.12lt), FFB production (2,325.63 tons), and pesticide unit (0.00002203). During the assessment, there is no activity of pesticide application since the first rotation has been done.

##### 4.6.3

The Management Unit has implemented the IPM in order to reduce pesticide usage. Based on document review and field observation, several IPM program with biological approach has been implemented, such as rodent control using predator (*Tyto alba*) and leaf caterpillar by planting beneficial plants, for instance, *Turnera subulata* and *Antigonon leptosus*. The Management Unit has record of pesticide usage in Samsam Estate and Palapa Estate during the last 5 years (2013 to 2017). Based on the record, the use of pesticides are declined, for instance, there is no usage of rodenticide. The use of *carbosulfan* in Samsam Estate decreased 88.25% i.e from 2,775 lt (2016) to 326.01 lt (2017). Similarly in Palapa Estate, the use of *carbosulfan* decreased 79.87% from 1,649.65 lt (2016) to 332 lt (2017). This indicates that IPM implementation (biological control method) is effective.

##### 4.6.4

On 13 August 2015, the President Director of SMART Tbk issued a memorandum to use no paraquat herbicide in 2016, regarding to *Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Environment Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances*. Based on document review, there is no pesticide WHO Class 1A or 1B application during the last 7 years (2012 – 2018). The Management

Unit has not been using paraquat herbicide since 2016.

The auditor conducted interview with spraying workers who are doing manual weeding in Block F12 Division III Palapa Estate and in Block K42 Division V Samsam Estate. The spraying workers claimed to have use no paraquat herbicide since 2016.

Based on the results of physical verification conducted in the chemical warehouse of Palapa Estate and Samsam Estate, it is known that pesticide stock records are in accordance actual physical in the chemical warehouse. There is no stock of paraquat herbicide.

#### **4.6.5, 4.6.7 and 4.6.9**

At the time of re-certification audit was conducted, there was no spraying activity. However, auditor conducted interviews with spraying workers who are doing manual weeding in Block F12 Division III Palapa Estate and in Block K42 Division V Samsam Estate. The workers claimed to have attended training in safe work practices and was able to explain and demonstrate the correct way to work in accordance with the procedures including how to use and handle the risks in accordance with MSDS. The spraying worker also claimed to have used PPE in accordance with specified hazard identification and MSDS, such as mask, gloves, safety shoes, apron and goggles. The Management Unit immediately replace when PPE is out of order. In addition, worker also informed that foreman checks the completeness of the PPE used by employees every morning attendance. The employees who do not use PPE properly will be reprimanded and not be allowed to work until PPE is reused.

Auditor also observed pesticide warehouse of Samsam Estate and Palapa Estate. Based on the results of observation, it is known that there have been material safety data sheets (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The storage of herbicide, spraying equipment, and PPE are in accordance with HIRARC identification set and in reasonable condition.

CH has had facilities for cleaning after work and to keep PPE especially for pesticide operators. The facility located near division office. Interview with supervisor known that PPE and sparying equipment is stored in this place and cannot be taken home.

#### **4.6.6**

The company has a SOP of material management and the displacement, explained the material characteristics and hazardous chemicals. The expired chemicals will be stored in hazardous waste warehouse or be returned to supplier. Based on field visit in chemical warehouse Samsam and Palapa Estate is known there are signboards and hazardous symbols, Material Safety Data Sheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

Management unit has record of handover the ex pesticides container which from Samsam and Palapa Estate to supplier. Based on field visit in housing of Samsam and Palapa Estate and also the landfill is known there are not ex pesticide containers disposed in landfill and use pesticide containers for other uses that are not similar.

#### **4.6.8**

Based on a review of documents and interviews with management staff, the Management Unit did not perform the application of pesticides from the air.

#### **4.6.10**

Ex-pesticide containers is washed for 3 times (refer to MSDS) and the water used to wash it shall be used for spraying. According to SOP of Waste Management (SOP/SMART/LEMS-EHSD/SADV/II/002) on July 2nd 2014 on point 6.3.b, the washed pesticide containers could be used for the same operations or could be returned to the supplier.

Field visit during audit on SSME and PLPE found that all ex chemicals containers were kept on temporary hazardous storage at estates. Training for workers and staff regarding pesticides handling, and hazardous & toxic material handling have been conducted on 13 March 2018 for related workers. Interview with spraying team on SSME and PLPE shown that workers recognized how to properly dispose waste materials and workers have been trained by company about

waste and hazardous materials handling. Field visit during audit on toxic & hazardous waste storage on SSME and PLPE, the company showed proper ways for ex agrochemical disposal. Monitoring evidence for agrochemical usage, ex agrochemicals container stored in storage, and manifest to third parties are available and verified by auditors.

#### **4.6.11**

The company regularly have a medical examination for pesticide operator. Samsam and Palapa Estate has a list of the latest pesticide operator as many as 60 people in SSME and 31 people in PLPE. All spraying workers has examined health through inspection types of cholinesterase and spirometri, to ascertain the condition of workers in good health. This semester examination was conducted in 21 May 2018 for all units. Examination results stating that all workers spray are in a healthy condition. Auditor conduct interviews with spraying workers and they admit that they have not been exposed to skin disease and itches because they always use PPE while working.

#### **4.6.12**

The company has a policy that prohibits pregnant and breast-feeding personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor breast-feeding female personnel who work with pesticide. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or breast-feeding.

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#### **4.7**

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

##### **4.7.1**

The company has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized and updated on 1 November 2013 by President Director of PT SMART. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Interviews were conducted to estate workers (harvester and pesticides applicator) and mill workers (boiler operator, engine room operator, etc). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

##### **4.7.2**

The company shown the document of hazard identification, risk assessment and risk control which issued on January 2018 for all activities. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Based on site observation at workshop and agrochemical warehouse in SSME and PLPE, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by routine socialization about OHS, providing PPE, and OHS signboard are available in workplace.

##### **4.7.3**

Based on documents verification and interviews, it is known that all operators at Samsam POM, Samsam Estate, and Palapa Estate already have lisense such as boiler operators, lift carrier operators, welders and electrical technician. The management unit has had the training plan for workers exposed to high noise levels such as training of procedure, socialization of HIRAC and safety briefing before work.

Based on field visits and interviews with workers, the company has provided PPE to workers. PPE for type of glove, ear plug, ear muff, helmet, apron, googles and safety shoes can be replaced immediately if damaged. This is evidenced by shown the recording of PPE distribution documents to the workers and the workers recognition from interviews also confirmed it.

**4.7.4**

The company already has persons that responsible for the OHS program within the organizational structure of Committee of Occupational Health and Safety (P2K3) established in each management unit. The organization routinely conducts monthly meetings on OHS issues in the workplace. The documentation of the meeting were recorded and stored well. Based on interviews to workers who are members of the P2K3 organization it is known that monthly meetings are always routinely conducted to discuss about OHS such as consistency of PPE usage, work accident report, fire simulation, checking of emergency response equipment, OHS sign board, cleanliness of work area, etc.

**4.7.5**

The company provides procedures for accidents and emergencies in the SOP handling accidents and occupational diseases (SOP/SMART/HESS-EHSD-10) and SOP Preparedness and Emergency Response (SOP/SMART/GENERAL/SADV/II/005). The procedures cover the main potential causes of emergencies such as fires, chemical spills. Simulation was performed to know the preparedness of emergency response equipment in the POM. The simulation was performed on hydrants located in the mill and the result of the experiment was concluded that the hydrant tool is ready for use.

Samsam POM, Samsam Estate, and Palapa Estate has already licensed first aid officers and there was first aid internal training conducted on 28 March 2018 in Ujung Tanjung Training Centre which was attended by 78 participants. Management unit also has a first aid kit in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers.

**4.7.6**

Based on the Collective Labour Agreement (CLA) that workers have the right to receive medical care and be protected by the accident insurance company. The management unit show proof of payment of Health and Employment Workers Social Security Agency (BPJS). Payments are made every month by percentage according to the regulation.

Based on interviews with SSMM, SSME and PLPE employees, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all. Based on interview with contractor representative, it is known that the accident insurance for contractor's workers is covered by the head of contractor itself.

**4.7.7**

The company is still consistent in monitoring the recording of occupational accidents by calculating the lost time accident (LTA). Recapitulation of work accidents with a formula to find the level of severity and frequency of accidents. This document informs the time period, the number of working days, the number of non effective working days, overtime, hours of work in total, the number of accidents, the number of working days lost, hours of work a year, the number of accidents a year, lost days a year. Calculation of SR and FR is reviewed regularly and monitoring will be evaluated at the monthly meeting of Committee of Occupational Health and Safety.

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**4.8**

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

**4.8.1 and 4.8.2**

The Certificate Holder has training programme 2018 for staff and workers related all aspects of RSPO principles and criteria. The training programme for all employees based on identification of needs that prepared by SPO Officer. The annual training programme covered all existing estate and mill activities, among others simulation handling chemical spills, first aid, fires simulation, socialization of policies for the protection of reproductive rights, prevention of sexual harassment in the workplace. The training record that shows historical training of each employee are well maintained in place.

Based on observation of operational activities in Samsam Estate and Samsam Mill, the workers are known to have received training, and are able to demonstrate safe working practices in accordance with procedures. Interviews with



local contractors are also known that contractors have been trained from CH related safe working practices.

Training programs for smallholders period 2017-2018, the types of training include agronomy (harvesting, weed control, pest and disease control, fertilization, FFB quality, road maintenance, etc), conservation, environment (zero burning, waste management, etc), and OHS aspect (HIRAC, PPE, first aid, emergency response simulation, etc).

The management unit of PT Ivomas Tunggal has consistently documented the training records for all staff, workers, smallholders and contractor on Estate and Mill. For example:

- The first aid training for the foreman was conducted on March 28, 2018 with a trainer of company physicians who already have Hiperkes certificate.
- Handling Chemical conducted on April 6, 2018.

Public consultation with contractors civil are submitted that the company has provided OHS training for contractor workers for example related to the use of PPE, accidents, safe working practices, etc.

**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**

EIA of PT Ivo Mas Tunggal has been conducted according to the scope of plantation operation covering three (3) Mills and seven (7) Estates since 1993 namely "*Studi Evaluasi Lingkungan*". Scope of EIA plantations area covers 46,882 Ha and divided in two (2) locations: Location-1: 20,362 Ha (currently has separated from PT Ivo Mas Tunggal management, this area is under PT. Salim Ivomas Pratama); Locations-2: 26,520 Ha (scope certifications).

Scope activities within EIA document comprises of Plantation Development (Land Clearance, Drainage, Land Preparation, Road Construction, Nursery, Setup of Blocking System, Stacking, Land Cover Crops Planting, Planting Hole construction). Mill development (Site Preparation, Installation of Processing Components), mill capacity is 30 MT/hour potentially upgraded to 50 MT/hour.

In 2015, EIA document for PT Ivo Mas Tunggal have amendment namely "*Adendum ANDAL dan RKL-RPL*". This document made is due to changing of scope assessment that comprises of Replanting activities, relocation of POME application area, development of regional workshop, methane capture installation (biogas plant) and clinic operational. Also, there were reductions of scope area from 46,882 Ha (previous size) to 25,053.29 Ha (Land Use Title/HGU size). This amendment of EIA document has been approved by Environmental Agency decree No: 15/660/BLH-S/KPTS/2015, dated 21 December 2015. Timetable for Methane Capture Installation (Bio Gas Plant) starting from Libo Mill (has been operated since September 2015), Ujung Tanjung Mill and Samsam Mill (under feasibility study by head office).

##### **5.1.2**

The company has conducted environmental management based on addendum documents of Environmental Management Plan / Environmental Monitoring Plan or namely RKL-RPL, among others:

1. Disruption of air quality and noise
2. Potential of Land Fires
3. Impaired Surface Water Quality and Water Biota
4. Impaired Soil and Soil Water Quality
5. Potential for Erosion
6. Development of Plant Pest and Disease
7. Increased Business Opportunity and Community Income
8. Increasing Community Empowerment.
9. The emergence of public perception

10. Road Infrastructure Damage
11. Occupational Health and Safety
12. Medical Waste Piles

Based on the verification of RKL-RPL implementation report for the second semester of 2017, it was concluded that all management and monitoring plan parameters requested in the environmental documents had been implemented by company. Records of implementation of environmental management describe in RKL-RPL implementation report such as report of 2nd semester 2017 and has been reported to environment agency.

### 5.1.3

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 of 2017 known there isn't negative impact caused by the company. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with Environmental Agency of Siak District show that company has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by company.

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## 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

HCV Assessment was conducted by Environment Department of PT SMART Tbk on 2009 (internal HCV assessor team). Assessor team consist of 6 persons with Lead Assessor has been approved by the RSPO, assessment conducted by using identification guidance of high conservation value in Indonesia issued by Indonesia HCV toolkit consortium, June 2008. The result of HCV identification on 2009 are HCV 1.2 and HCV 4.1 (riparian), area of 110.56 ha in block D06; block C06; block B07; block A09 (Kandis river Riparian), block A20; block A21; block B21; block B22; block C21; block C22; block D21 and block E22 (Angek Tapuak Riparian).

The company has the list of endanger species based on Government Regulation No. 7 Year 1999, CITES and IUCN in term of preservation for flora and fauna on PT Ivo Mas Tunggal. For example, the wildlife found were *Cekakak belukar* (*Halcyon smyrnensis*), *elang hitam* (*Ictinaetus malayaensis*), *macan akar* (*Felis bengalensis*), *rangkong* (*Rhinoceros houbill*) and *elang coklat* (*Butastur liventer*), it's were not incorporated on the list of rare, threatened or endanger species (RTE). Meanwhile, there was no endangered flora. Sighted HCV distribution map of PT IMT (UTNE, PLPE, KNDE, SSME, NGLE, SRKE and LIBE) scale of 1:100,000.

### 5.2.2

The company has HCV management plan document period of 2018, the program consist of :

- Riparian area management (HCV boundaries marking and maintaining, marking of chemicals application borders, HCV socialization to surrounded community and workers, planting of erosion control plants and HCV area patrols)
- Management of RTE species
- To conduct species identified protection.
- Implementation of company procedure related to HCV management, such as Number SOP/NP/Smart/IV/LH001 about HCV identification and management, Senior Managing Director Circulation Letter No. 002/SE-SMDOPS/IX/2010 dated September 20<sup>th</sup> 2010.
- HCV monitoring (monitoring of HCV attribute, monitoring of HCV in three monthly basis and monitoring of HCV rehabilitation)

Based on field observation on riparian area of Kandis river in Block K33 and G05 Palapa and Samsam Estate known that the HCV area has been managed well and in accordance with the management plan. The company was able to shows monthly monitoring of fauna and monitoring/maintenance of marking HCV pole which conducted weekly. It was reported that there were no conflict between human and wildlife.

**5.2.3**

Disciplinary action to the employee who catch, hurt and/or collecting RTE species has been explained on document of Internal Office Memo of MD Services & Project No. 1231/M-Int/ MDSP-VIC/XI/11 dated 25 November 2011 in term of Zero Tolerance policy against Endangered Animal. Training and socialization on RTE species and sanction programmed and conducted routinely, for examples training on 28 March 2018 as many as 77 attendants. Meanwhile, socialization on RTE species to the workers also conducted in time of muster morning including socialization of sanction. It also has been verified during interview with the workers in field and emplacement.

Based on interview with village head from Jambai Makmur Village, Sungai Gondang Village, and Pencing Bekulo Village, it was state that the company has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, there were found no protected fauna on offices and employees housing areas in both in estate and mill.

**5.2.4**

Monitoring of RTE species has been conducted routinely (every semester), the monitoring result will be the input in the next monitoring plan. The company was able to shows evidence of receipt note document of flora and fauna identified in to relevant Agency.

**5.2.5**

Based on document verification and field observation, interview with workers, surrounded community and related institution known HCV area was not overlapped with local communities' rights, and that there is no community land and traditional rights defined as HCV area.

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**5.3**

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

**5.3.1**

The entire products of waste and it sources have been identified and documented in the identification list document of Environmental Aspects on 2018. The examples of waste products are oil sourced from FFB trucks, emissions/smoke from FFB trucks/CPO, waste sourced from used sacks, emissions/smoke that comes from generators, emissions/smoke coming from the chimney boiler, spilled diesel/oil sourced from the generator engine, oil drums sourced from the workshop, former battery/former dust cloth/used lamp sourced from materials warehouse, former chemical container from chemical warehouse, effluent that sourced from the former chemical bottles derived from laboratory, effluent that comes from FFB processing, and others. The company has SOP of hazardous waste handling which describe the waste (domestic and hazardous waste) management program, as follows:

- Agrochemical ex-container collected, washed, recorded on the form of agrochemicals containers Log book (F/SMART/LEMS-EHSD/SADV/002/001). All records should be maintained on the provided place.
- Liquid waste (effluent) applied to increase the nutrient in the soil
- Emission controlled by using air pollution controller and tested on accredited lab.
- Domestic waste managed by separated organic and an-organic, organic waste backfilled and an-organic collected to be transported to domestic waste landfill
- Hazardous waste (used oil, used filter, used battery, contaminated spill kit, used neon) recorded and stored in the scheduled hazardous waste storage, will be hand over to the licensed transporter.

Based on visit in FFB processing activities known that effluent product resulting from the processing of FFB. Based on visit in chemical warehouse known that the former packaging chemical products are produced from chemical warehouse. Results of observation on housing known that the waste products generated from household activities.

**5.3.2**

Company conduct an inventory of the waste described in the document of Evaluation Aspects of 2018. The result of inventory in Palapa and Samsam Estate such as spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse, preparation and maintenance block mark such as former paint cans placed in hazardous waste warehouse, plastic waste fertilizer placed in hazardous waste warehouse.

Based on field visits in chemical warehouse Samsam and Palapa Estate (central warehouses) is known that ex chemicals container be placed to hazardous waste warehouse. Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on January to March 2018. The training and socialization to spraying workers, about ex pesticide container disposal is available.

Based on observation and interviews with some workers and management representatives, there are still some opportunity for improvements such as evaluate employee understanding of hazardous and toxic waste management procedures and evaluation of control management on hazardous and toxic waste management. **OFI**

### 5.3.3

The company has identified the source of waste and pollution source and treat the identified source to reduce emission and pollution. The effort taken by the company are:

- Domestic waste: based on field observation, the company has collected domestic waste periodically and dump it to the landfill.
- Empty fruit bunch is applied to estate plantation area to substitute chemical fertilizer. Based on field visit EFB application is well managed.
- Shell and fiber are reused for engine fuel of boiler. It reduce the carbon emission from the combustion of fossil fuel.
- Waste water use for fertilizer and base on field visit to PLPE block F25 the condition of flat bed has been maintenance well.
- To handle clinical waste, the company also has cooperation with licensed parties such as PT Pratama Saolan Green.

The field visit to hazardous waste storage in Samsam Mill, Samsam Estate and Palapa Estate shows that there is a good record of the waste and good storing system as required within the license of the storage and the regulation on hazardous waste management. The hazardous waste has sent to PT Primanru Jaya at 2 May 2018.

Agreement between PT Ivomas Tunggal and hazardous waste transporter is made if hazardous waste transported. Last transportation was made on 3 May 2018 with an agreement made on 15 December 2017. The validity of the agreement is 6 month.

|  |                       |  |
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|  | <b>Status: Comply</b> |  |
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## 5.4

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

### 5.4.1

The company uses a shell and fiber as boiler fuels as a source of energy for processing and electric power source. Based on the results of interviews with the management know that to increase the use of diesel fuel efficiency, the company uses a boiler to generate electricity for 24 hours. The company recorded its fossil fuel consumption and the use of renewable energy of shell and fibre. The use of fibre and shell as renewable energy reduces the amount of fossil fuel consumption. Total utilization of shell and fiber for period January - May 2018 as many as 4,640 ton or 0.27 ton/ton CPO of shell and 10,086 ton or 0.59 ton/ton CPO of fiber, average electric used amount 94.33 KWH/ton CPO. Average percentage used fossil fuel is 2.95 liter/ton CPO.

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## 5.5

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

### 5.5.1 & 5.5.2

Field visit during audit and document review indicated there is no replanting / new planting activities on Palapa estate. Company already have commitment and policy listed on Golden Agro Resources (GAR) social and environment policies 2015, stated that company do not conduct any land fire for replanting or new development. Company also develop procedure SOP/SMART/MCAR/ IV/ TA-PLB on 2012 regarding zero burning land preparation.

Field visit on block G05/H05 PLPE and document review shown the last replanting activities were conducted on 2017 and there is no indications that land clearance were conducted by open fire. Auditors also verified working agreement letter for examples SPK No. 084/SPK/PLPE-PSM5/02/2018 and found on page 9 listed that all land clearing activities should be conducted by zero burning activities.

**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 emissions and pollution sources from Mill and estate are identified and recorded on waste and pollution identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Waste water has been monitored every months and monitoring periods Jan-March 2018 sighted that all of waste water testing parameters is compliant to the standards quality.

To reduce pollution and emission, the company has identified the pollution sources and emissions and the management steps which are described in SOP of Waste Management. In addition, company also identified GHG sources included plan for reducing it.

Noise monitoring (1st semester 2018) are conducted based on RKL/RPL matrix in workers housing (mill) and mill front yard respectively 52 dB(A) and 65 dB(A). Field visit on high noise station on SamSam Mill such as boiler, sterilization, and engine room found that operators are equipped with appropriate PPE (ear muff) and warning signs for high noise areas are available for examples in engine room.

### 5.6.3

Monitoring for emission and pollutants (air emission (boiler and generator), opacity, air ambient, odor, noise level) from estate and mill was done periodically every 6 month, covered on RKL/RPL implementation report and reported to environmental agency periodically. 2<sup>nd</sup> Semester 2017 testing result indicates all parameters related to emission are still comply with standard quality. Assessment for noise exposure risk are covered on 2015 EIA document. Meanwhile environmental management and monitoring plan also established especially related to disruption of air quality and noise. Based on RKL/RPL matrix, noise monitoring were conducted on mill frontyard and workers housing, respectively 65 db(A) and 52 db(A).

Calculation of GHG and its monitoring has conducted by SADV. GHG emission calculated using RSPO palm GHG calculator v 3.0.1. Summary of GHG emission for SamSam mill are listed as follows :

#### Summary of Net GHG Emissions

| Emissions per product | tCO <sub>2</sub> e/tProduct | Extraction | %     | Production    | ton/year   |
|-----------------------|-----------------------------|------------|-------|---------------|------------|
| CPO                   | 0,74                        | OER        | 26,06 | FFB Processed | 224.187,39 |
| PK                    | 0,74                        | KER        | 6,2   | CPO Produced  | 58.414,27  |

| Land Use           | ha         |
|--------------------|------------|
| OP planted area    | 18.786,664 |
| OP Planted on peat | 0          |
| Conservation area  | 412,623    |

#### Summary of Field Emissions and Sinks

|  | Own Crop           |                        |                          | Group              |                        | 3 <sup>rd</sup> Party |                        | Total              |                        |
|--|--------------------|------------------------|--------------------------|--------------------|------------------------|-----------------------|------------------------|--------------------|------------------------|
|  | tCO <sub>2</sub> e | tCO <sub>2</sub> e /ha | tCO <sub>2</sub> e/t FFB | tCO <sub>2</sub> e | tCO <sub>2</sub> e /ha | tCO <sub>2</sub> e    | tCO <sub>2</sub> e /ha | tCO <sub>2</sub> e | tCO <sub>2</sub> e /ha |



| Emissions                                  |           |       |       |  |  |  |  |           |       |
|--|-----------|-------|-------|--|--|--|--|-----------|-------|
| Land conversion                            | 45.394,24 | 4,57  | 0,03  |  |  |  |  | 45.394,24 | 4,57  |
| *CO <sub>2</sub> emissions from fertilizer | 1.714,18  | 0,36  | 0     |  |  |  |  | 1.714,18  | 0,36  |
| **N <sub>2</sub> O emissions               | 2.772,75  | 0,35  | 0     |  |  |  |  | 2.772,75  | 0,35  |
| Fuel consumption                           | 579,43    | 0,05  | 0     |  |  |  |  | 579,43    | 0,05  |
| Peat Oxidation                             | 0         | 0     | 0     |  |  |  |  | 0         | 0     |
| Sinks                                      |           |       |       |  |  |  |  |           |       |
| Crop sequestration                         | 38.841,01 | -4,71 | -0,03 |  |  |  |  | 38.841,01 | -4,71 |
| Conservation Sequestration                 | -2.670,07 | -0,14 | 0     |  |  |  |  | -2.670,07 | -0,14 |
| Total                                      | 8.949,52  | 0,47  | 0     |  |  |  |  | 8.949,52  | 0,47  |

**Summary of Mill Emissions and Credits**

|                              | tCO <sub>2</sub> e | tCO <sub>2</sub> e/tFFB |
|------------------------------|--------------------|-------------------------|
| Emissions                    |                    |                         |
| POME                         | 43.944,53          | 0,2                     |
| Fuel consumption             | 339,05             | 0                       |
| Grid Electricity Utilisation | 0                  | 0                       |
| Credits                      |                    |                         |
| Export of Grid Electricity   | 0                  | 0                       |
| Sales of PKS                 | 0                  | 0                       |
| Sales of EFB                 | 0                  | 0                       |
| Total                        | 44.283,58          | 0,2                     |

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

|                               |     |
|-------------------------------|-----|
| Divert to compost             | 0   |
| Divert to anaerobic digestion | 100 |

**POME Diverted to Anaerobic Digestion:**

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

**Notes : this GHG calculator are not included land use change for all areas of Samsam mill and its supply base.**

Based verification known that accurate data has been put into the RSPO PalmGHG Calculator

**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 SIA (Social Impact Assessment) for PT Ivomas Tunggal conducted in 2012. SIA document contains evidence of communities / villagers participation in study. Participation was conducted by interviews and focus group involving the

village and community leaders, traditional leaders, youth leaders, and etc. Results of the consultation meeting had been summarized in the SIA report. As part of social impact management, company has channelled Corporate Social Responsibility (CSR) by considering the results of the EIA study and Social Impact Assessment.

#### 6.1.2

Evidence for participatory way on SIA 2012 were shown by minutes of meeting, focus grup discussion, interview questionnaire with affected parties for examples Samsam Village, Kandis Village, Belutu Village, Libo Jaya Village, Pencing Bekulo Village, Jambai Makmur Village, Gondang River Village and Bekalar Village. While 3 urban villages are: Kandis Kota, Simpang Belutu and Telaga Samsam.

Interview with representative of Jambai makmur villages, Sungai Gondang villages, and Pencing Bekulo villages obtained information that affected parties surrounding company are participated when SIA was conducted.

#### 6.1.3

Company has established management planning and monitoring for social impact based on the identification of impact. This plan has been informed the positive and negative impact including the time management planning and the person in charge for the activity, such as: local workers acceptance, *Oryctes* outbreak for replanting, and local economy development. PIC for social management and monitoring are manager in each unit assisted by SPO officer and other related staff.

This social management and monitoring plan were develop by affected parties participatory for examples discussion and interview with Simpang Belutu villagers on July 2017, discussion and interview with Sungai Gondang villagers on July 2017. Evidence of participatory way (minutes of meeting, photo) was verified by auditor team.

#### 6.1.4

Review for social management and monitoring for PT Ivomas Tunggal was develop on July 2017. Major impacts that affect communities from company operations: availability of employment, community economic development, flood potential, water quality, replanting impact, and local economy. Documentation of social impact monitoring activities (by interview and discussion) are available for examples: dated May 9, 2017 at Sukamaju village, Kota Bangun village and Beringin Lestari village, May 8, 2017 at Cinta Damai village on May 6, 2017 in Sei Jambai Makmur village. Interview with representative of Jambai makmur villages, Sungai Gondang villages, and Pencing Bekulo villages obtained information that affected parties surrounding company are participated when review was conducted.

#### 6.1.5

PT Ivomas tunggal (Samsam mill) do not have any requirements for scheme smallholder development.

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|  | <b>Status: Comply</b> |  |
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#### 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 ; 6.2.2 : 6.2.3

Documented procedure for communication and consultation with public was established namely Communication and Consultation Procedures No. SOP/SMART/UMUM/SADVI/004, dated 1 July 2014". Communication and consultation has considered differential access to information for male/ female, workers, villagers representative both old and new villagers including ethnics. Based on interview with Official of Cinta Damai, Sukamaju, Jambai Makmur, Sungai Gondang, Pencing Bekulo village know Information that can be accessed from Certificate Holder, such as CSR, recruitment of workers. The company has responded well to any existing communication processes, the preparation of SOP has been take into consideration of suggestions from the public and other affected parties. The procedure was in Bahasa Indonesia that is understood by all surrounding communities. Responsible person for receiving and repoding any communication and inquiries is Unit Head / Estate Manager.

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#### 6.3

**There is a mutually agreed and documented system for dealing with complaints and grievances, which**

**isimplemented and accepted by all affected parties.**

### 6.3.1

The company has the SOP Handling Complaints and Dis-satisfaction no. SOP/SMART/SIGS-CSR/SADV/003 that explain the process of delivering and handling complaints and grievances internally and externally. In the SOP also mentioned that the company guarantees the anonymity of the reporting and the revealer of the case (whistleblower). Head of Administration is responsible for hearing and record all complaints and grievances that exist both orally and in writing from the external. Responses to the complaint and dissatisfaction is given as soon as possible and no later than one month after the issue received. SOP Handling Complaints and Dissatisfaction only up to the enterprise level. Based on interviews with management, if there is no solution in the complaint mechanism, can be brought to the RSPO Complaint System.

Based on interviews with employees, village representatives, and union leaders, it is known that they have understood the mechanism to complaint. This is effectively implemented where every complaint can be submitted verbally / written through the chairman of the union to be discussed later in bipartite routine meetings. In addition, employees can also convey complaints through direct supervisors or through complaint boxes available throughout the division / estate office.

### 6.3.2

The whole recording and handling of related complaints recorded in the Monitoring Form Handling Complaints and dissatisfaction document number: F/SMART/SIGSCSRD/SADV/003/001. According to interviews with workers and communities there are no complaints or dis-satisfaction.

Based on interviews with the union chairman, it was submitted that since ASA 4 audit activities until the recertification was carried out there was no record of dispute between the company and the stakeholders.

There is a negative issue from the sakai community. The Company has presented evidence of compensation to the community in Belutu Village in 1984 and 1994. The complaints from the Sakai community have been mediated by the Siak District Government and have been reported to the police PT IMT has provided business assistance to the Sakai community such as the occasional manufacture of goats, catfish ponds, chicken coops and vegetable gardens. The company also provides guidance to the Sakai community in order to run its business independently. **OFI**

Additional activity conduct on 4 July 2018:

Auditor receive information from RSPO Secretariat on 3 July 2018 related to complain from LBH Sakai. Auditor conduct the field verification with LBH Sakai and Head of Sakai Tribe through direct interview and collect supporting document. Information from field visit reported to internal reviewer in Mutuagung and after that reported to RSPO Secretariat.

**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

CH has had SOP for land compensation which describes identification, calculation and compensation for land release mechanism. 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 CH does not perform new expansion since the last assessment (2017). The latest land compensation has been conducted in 1986.

**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**

At the time of Re-certification audit is conducted, wage determination in the period of 2018 has not been issued by the Governor of Riau No. 373/V/2018 dated May 15, 2018 concerning about Minimum Wage Agricultural Sector/Rubber Plantation, Coconut, Oil Palm and Mill Riau Province Year 2018, as much as Rp. 2,617,500. Furthermore, through a Joint Agreement between GAPKI and BKS PPS with PD.FSP.PP-SPSI, SPTP-BUN PTPN V and FSB Solidaritas Indonesia Riau, agreed that the implementation of minimum wage 2018 of Rp. 2,617,500. per month in all districts in Riau Province, and includes the value of natura in the form of rice for the workers themselves by 15 kg or Rp. 136,500 per month, effective from 01 January 2018. It was then followed by letter from CEO of PSM 5 dated March 20, 2018 concerning about its implementation. The implementation is shown through worker salary payment for May 2018 and the additional (rapel) was be paid for the period of January to April 2018. Based on the observation of the document known that the company has paid wages to workers in accordance with the provisions of the applicable minimum wage. In addition, Interview with branch Chairman F.SPPP-SPSI no report of wage payment violation paid, in accordance with prevailing minimum wage.

Based on document review known the company have paid overtime in accordance with that specified in the Collective Labour Agreement (PKB). The results of interviews with workers in Samsam Mill for example at the security and harvester Samsam Estate known that the workers have earned wages and overtime has paid in accordance with the applicable regulation.

Based on the explanation of the harvesters and boiler operators on working hours, it is stated that workers work from Monday to Thursday and Saturday from 6 am to 2 pm with 1 hour break. While on Friday hours work from 6 am to 12 pm with 1 hour break. So the total working hours is 40 hours in 1 week according to Law No. 13 of 2003 Article 77. For Mill workers the shift system applies and if there is any excess of working hours than it should be, then the calculation of overtime pay refers to Decree of the Minister of Manpower No.102 of 2004 Article 11.

It has been verified that the calculation complies with the employment agreement and minimum wage adjustment of 2018.

**6.5.2**

Employment law concerning the rights and obligations of the company are described in the Collective Labor Agreement. Collective Labour Agreement 2015-2017 between Sumatra Plantation Company Cooperation Agency with the Central Board of the Federation of Unions of Agricultural and Plantation Workers Union of Indonesia has been through a decree of the Director General of Industrial Relations and Social Security labor with No. 88/PHIJSK-PPKAD/PKB/VI/2015 on June 18, 2015. Agreement in a language understood by the workers and explain the recognition organization, recruitment, working hours, wages, contract labor, aid sick days, be absent work, payment of meal, overtime, provisions on premiums, feast day allowance, insurance social worker, equipment work and OHS, Provident Fund Benefit, special provisions for motor vehicle workers, workers brought in from outside the region, type of work, layoffs, severance pay, obligations of the company and the workers, a means of solving labor disputes and strikes. Overall agreement has been in accordance with the provisions of the applicable labor regulations.

The above work agreement contains explanations of: Type of work, workplace, day and hours of work, terms and conditions of employment, the term of the contract, wages, rights and obligations of both parties, the termination of the employment agreement and the conclusion. Ensure the new PKWT worker provide with PPE in accordance with the procedure (OFI no.5).

**6.5.3**

Company provides the facilities for worker welfare such as housing, polyclinic, worship venue, sport yard, and access to electricity and clean water. Based on field observation in Samsam Estate housing, it is known that the facilities and infrastructure are in good condition. the availability of electricity comes from the State Electricity Company. Beside education facilities, company also provide school bus to children transportation.

Based on the interview with employees and labor union representatives known that whole infrastructures provided by company has been adequate and well deserved.

**6.5.4**

The management unit has been able to demonstrate an effort to improve workers' access to food was decent, fairly and at affordable prices through the provision of cooperative activities in the provision of basic needs for employees. In addition to the time payday there are incidentally market. And also base on interview with women workers in estate and mill, they were explain that traditional market are near from housing complex. Based on field observation and interview, it is known that worker buy the staple food to the market in near from the estate.

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

PT Ivomas Tunggal have a policy about the Freedom for Association were approved by circular letter no. 020/HR PSM6/01/11 dated on 3 January 2011. The circular letter states that the company gives a freedom for its employee to associate and gather. Based on interview with Bipartit representative, it is known that company has facilitated the establishment of worker union and personnel understand the function of worker union. The company has been consistently documenting and implementing the policies related to giving freedom to all workers to form and join unions workers desired. The results of interviews with workers are known to be three Worker Unions within the management unit of Mill and Estate PT Ivomas Tunggal, namely SPPP-SPSI (*Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia*), KSBSI (*Konfederasi Serikat Buruh Sejahtera Indonesia*) and SPPI (*Serikat Perjuangan Pekerja Indonesia*).

At the time of the ASA-4 audit activities, it is known that CLA for the period 2015-2017 has expired since April 2017, however, as stated by the Chairman of DPC F.SPPP-SPSI, the new CLA (2018-20202) is currently in the process of drafting so that the old CLA is considered valid until the issuance of CLA new.

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| <b>Status: Comply</b> |
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**6.7**

**Children are not employed or exploited.**

**6.7.1**

Certificate Holder have the policy regarding minimum age for worker regulated on GAR's Social and Environmental Policy. It is stated that company won't employ children who are included in the definition of the provisions of ILO conventions, even though there are laws or regulations that would enable state and local and against all forms of child exploitation. Based on field observation in SSME, PLPE and SSMM, there are no worker under 18 years old. Based on public consultation with Manpower and Transmigration Agency of Siak District, there is no issue regarding child labor in company.

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

Policy regarding equal opportunity and treatment for work contained in the document of Environmental and Social Policy issued on September 8, 2015. The policy assured equal opportunities for all workers, and embrace diversity, regardless of ethnicity, religion, disability, gender, political affiliation, sexual orientation, or union membership workers, and ensure that all workers are protected from discrimination in all stages of the employment relationship. The process of selection, recruitment and promotion of workers can be shown that the process has been based on the expertise, capacity, quality and medical health of prospective labor / labor.

The results of interviews with Palapa and Samsam Estate worker known that the workers understand the company policy regarding equal opportunity to get a job without distinction of race, religion and gender. Based on the document



review there is an example of implementation of the equal opportunity work policy for all workers to ensure that workers are protected from discrimination in all stages of employment relations. For example is the appointment of contract worker into permanent worker based on performance appraisal conducted by the manager. The employees are upgraded to permanent employees based on the Decree of the Manager (Work Agreement No.033/SSME/PT4A/04/2018, dated April, 2018). Appointment of employees based on the results of the assessment conducted periodically every month, with aspects assessed include: Discipline, Quantity of work, Cooperation, Attitude, Responsibility.

### 6.8.3

Based on review of employee list of Mill and Estate, field observation, and interview with the workers, Gender Committee, Labor Unions, it is known that there is no indication of discrimination based on ethnicity, religion, gender, sexual orientation, race and class, or origin. Interview with the Village Head known that the job advertisements are open to the public. The employee selection and promotion are conducted in accordance with the assessment and without any discrimination.

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|  | <b>Status: Comply</b> |  |
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## 6.9

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

### 6.9.1; 6.9.2 and 6.9.3

The Certificate Holder covered policy related to prevent sexual and other form of harassment and violence, as well as to protect reproductive rights. There are policies about Sexual Harassment and Violence (SE No.001 date February, 20 2009). Company has establish gender committee in each unit and its program is conducted socialization to the worker especially female worker, such as policy about reproductive rights, spraying technic, harassment or abuse in the work place complaints mechanism. Complaint mechanism explains that the company could keep the confidentiality of reporter's identity based on the sensitivity of issues, if the case goes public and the risk of revenge and so on.

There are regulations concerning female menstruation leave as much as 2 days/month (first and second day) with a doctor's examination, as well as maternity leave 1.5 months before giving birth and 1.5 months after birth with the calculation of a doctor's examination. The CH's procedure of Handling of Complaints and Grievances assured the anonymity of the reporting and the revealer of the case.

Based on interview with female worker in SSME, PLPE and SSMM they understand about the policy and know how to make a complaint if they found out about harassment issue. They also has their reproductive leave such as menstrual leave or 2 days and maternity leave for 3 months. Based on interview with gender committee, there is no cases of sexual abuse reported in last year. The interview result with women worker in estate and mill shows that the worker has understood the existence of gender committee and the policy regarding women right protection. The administrator of gender committee also stated that the company guarantees the anonymity of the reporting and the revealer of the case

The determination for the start date of maternity leave (H2) should be on the recommendation of the company doctor based on the estimated day of birth calculated referring to the last menstrual day and ultrasound examination of the obstetrician. The gender committee stated that there is no reporting of violations related to the rights of women workers for H1 and H2 leave, with evidence of the wages of workers being fully paid.

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|  | <b>Status: Comply</b> |  |
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## 6.10

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

### 6.10.1 & 6.10.2, 6.10.3, 6.10.4

SamSam mill has no transaction of buying FFB from independent smallholder nor scheme smallholder.

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|  | <b>Status: Comply</b> |  |
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## 6.11

**Growers and millers contribute to local sustainable development wherever appropriate.**

### 6.11.1

Stakeholders meeting are conducted on 2017 to indentify the needs and priorities of local communities development. PT

Ivomas Tunggal has contributed to local development throughout community development especially for Sakai tribes and Corporate social responsible program. The contribution done by company as follows : public religious events, public healthcare, donation, and enviromental aspect ("*masyarakat peduli api*" establishment).

Generally PT Ivomas Tunggal shown local communities development by local contractor engagement, taxes payment for central/local government, local workers recruitment, local Sakai tribes development by "*Yayasan Sakai Mandiri*" establishment, and annual CSR programme by each estates.

Interview with representative of Jambai makmur villages, Sungai Gondang villages, Pencing Bekulo villages, and "*Yayasan Sakai Mandiri*" leader obtained information that affected parties surrounding company are participated and involved based on consulation with local communities when company determined CD/CSR priorities.

#### 6.11.2

PT Ivomas Tunggal - SamSam Mill does not have a cooperation scheme with smallholder/plasma or other independent farmers. All FFB receives for Samsam mill are coming from certified own estates.

|  |                       |  |
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|  | <b>Status: Comply</b> |  |
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#### 6.12

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

##### 6.12.1, 6.12.2, and 6.12.3

The Certificate Holder have Environmental and Social Policy covered policy related prohibits forced or bonded labor or debt bondage and take steps to prevent it. The procedures related to human resources management shows that every worker has a work agreement that describe specific job description. Based on employee list, field observation and interview with workers, Labor Unions, and Manpower Agency known that there is no migrant workers, forced labor. Every worker has a work agreement that describe specific job description, there is no substitution of contract without prior consultation and agreement from the worker.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
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#### 6.13

**Growers and millers respect human rights**

##### 6.13.1

Certificate holder has GAR of Social and Environmental Policy in point 2.2.3 which stated that the company committed to stand and promote statement of human right of UN for all workers, contractor, customary society, local community in all company operation.

Based on interviews with workers known that the company has socialized company policies regularly including policies on human rights. Socialization is done by sticking to the policy in offices, socializing in the housing and socialization to workers during the morning briefing before the activities started.

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|  | <b>Status: Comply</b> |  |
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#### **PRINCIPLE #7 Responsible development of new plantings**

PT Ivomas Tunggal does not make any expansion over its operation area after November 2005. Document's review and interview with management revealed that the latest land clearing was conducted in October 2005.

The document review and interview with management showed that the company is not performed land clearing after 1 November 2005. HCV identification in PT Ivomas Tunggal was conducted on 2009. GAR, as the parent of PT Ivomas Tunggal has conducted disclouser of liability data and zero liability disclosure on 29 August 2014 by email.

##### 7.1.1, 7.1.2, & 7.1.3

Based on documents review, interview, and field visits, shown that company did not expand any operational areas and there is no more land clearing for new development activity since November 2005. Therefore SIA and EIA document are covered on current document, see indicator 5.1 and 6.1.

**7.2.1; 7.2.2**

Based on documents verification, interview with management staff, and field observation, it is known that Management Unit did not expand the operational area

**7.3.1 and 7.3.2**

PT Ivo Mas Tunggal does not make any expansion over its operation area after November 2005. Document's review and interview with management revealed that the latest planting year was conducted in 1993.

The document review and interview with management showed that the certification unit is not performed land clearing after 1 November 2005. HCV identification in PT Ivomas Tunggal was conducted on 2009. GAR, as the parent company of PT Ivo Mas Tunggal has conducted disclosure of liability data and zero liability disclosure on 29 August 2014 by email.

**7.3.3; 7.3.4 and 7.3.5**

Based on the results of interviews with management is known that the initial activity of land clearing was done in June 1986. The results of document review, field visits and interviews found that company did not expand or conduct new planting since the last assessment (2016).

**7.4.1; 7.4.2**

Based on documents verification, interview with management staff, and field observation, it is known that Management Unit did not expand the operational area.

**7.7.1 & 7.7.2**

Based on documents review, interview, and field visits, shown that Samsam Mill and its supply base did not expand any operational areas and there is no more land clearing for new development activity since November 2005. Organization already has Zero burning policy related to new development/replanting, for more details see indicator 5.5.

**7.8.1 & 7.8.2**

Based on documents review, interview, and field visits, shown that company did not expand any operational area and there is no more land clearing for new development activity since January 2015. Existing GHG emission calculations result are able to seen on Indicator 5.6.

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

RSPO Internal Audit PT Ivomas Tunggal held on 19 Feb – 2 March 2018 with an internal team of auditors from the Sustainability Policy and Compliance Division. Internal audit results have 5 nonconformities and all non-compliance has been acted upon by CH.

The company has implemented commitment to reduce environment impacts on the regular action plan. For example:

- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Siak District Environment Agency.
- Air quality management and monitoring. Road maintenance, air quality test and report it to Siak District Environment Agency.
- Surface water management and monitoring. Testing surface water quality and report it to Siak District Environment Agency.
- Hazardous waste management. Storing hazardous waste at the permitted warehouse of hazardous waste, managing and monitoring hazardous waste.

The Management Unit can show the monitoring results of the implementation process of innovation updated as of 4 June 2018. There is a progress report on the implementation of innovation in 2018. Example, aspect of Best Management Practices (BMP), namely:

- Samsam Estate
  - Efficiency and effectiveness of herbicide spraying with motor rickshaws
  - Use of GPS on patrol cars
  - Use of MTB (Mini Tractor Graber) on harvesting activities
  - Implementing zero burning policy (PLTB) on replanting activities
- Palapa Estate
  - Efficiency and effectiveness of herbicide spraying with motor rickshaws
  - Spraying interrow using boom sprayer
  - Planting of legume crops mechanically
  - Use of GPS on patrol cars
  - Use of MTB (Mini Tractor Graber) on harvesting activities
  - 
  - Transportation of harvest equipment using motorized becak.
- Samsam POM
  - Utilization of kernel shells and fiber as renewable energy (Boiler fuel)

There is an internal audit of the operation of the Estate and Factory on the second semester of 2017 conducted by the Operational Internal Audit (OIA) team, namely:

- Samsam Estate: Report of OIA No. 43/V-SSMM/12/17
- Palapa Estate: Report of OIA No. 56/HVT/12/17
- Samsam POM: Report of OIA No. 28/V – SSME/09/17

#### **Continuous improvement in employment:**

When the Re Certification assessment, the company is progressing "zero Daily Contract Workers (BHL)" where there are several process activities in PSM 5 such as:

- Socialization of communication materials for managers (completed December 2017).
- Socialization to workers (May 2018 and extended until end of 2018)
- Addendum work agreements (On going finish December 2018).
- The process of changing the Daily Contract Workers to Part time contract workers (BHL to PKWT) (Implemented in July 2017)
- Socialization of Permanent Worker from PKWT (Finish March 2018)
- Selection and Acceptance of Permanent Workers (On going December 2018)
- Process of Change SKU to PT (permanent workers) (On going December 2018)

This is based on Decree No.036 / MDHR / 11/2017 on Position and Permanent Workers' Structure in Agronomy and Mill. This decision is effective January 1, 2018.

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

### 3.2 Summary of Assessment Report of Supply Chain Requirements

#### 3.2.1 General chain of custody requirements for the supply chain

| Clause     | Requirement  |
|------------|--|
| <b>5.1</b> | <b>Applicability of the general chain of custody requirements for the supply chain</b>   |
| 5.1.1      | <p>The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.</p> <p>SamSam Mill is one of Palm Oil Mill where legally it is under management of PT Ivomas Tunggal. The main product from this mill is CPO and Palm Kernel where the CPO placed in storage tank at the same location before transport to Dumai Bulking.</p> <p>PT Satrindo Jaya Agropalma as a CPO &amp; PK transportation services company is a subsidiary of Golden Agri Resources (RSPO membership) and also as a parent company of PT Ivomas Tunggal. This company has had legal ownership and official agreement with PT Ivomas Tunggal.</p> |
|            | <b>Status: Comply</b>  |
| 5.1.2      | <p>Traders and distributors require a license obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.</p> <p>SamSam mill are FFB processing mill and produced CPO and Palm kernel. The sources of material input are FFB's from the certified area from own estates. Samsam Mill did not purchased any CPO/ PK from others suppliers, therefore Mill not include as trader/distributor.</p> <p>SamSam Mill is an RSPO certified mill with certificate no. MUTU-RSPO/031 and also has been registered on PalmTrace with registered member ID: <b>RSPO_PO1000001058</b></p>  |
|            | <b>Status: Comply</b>  |
| 5.1.3      | <p>Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.</p> <p>SamSam Mill are RSPO member and Certified Mill with certificate No MUTU-RSPO/031 and also has been registered with member ID RSPO IT Platform member registration number: RSPO_PO1000001058</p>  |
|            | <b>Status: Comply</b>  |
| 5.1.4      | <p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>SamSam Mill did not have any processing aids at site.</p>  |
|            | <b>Status: Comply</b>  |
| <b>5.2</b> | <b>Supply chain model</b>  |
| 5.2.1      | <p>The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -&gt; Segregated -&gt; Mass Balance.</p> <p>SamSam Mill is certified palm oil mill which implement Identity Preserved using Module D-CPO Mill for its supply chain models.</p>  |



|  |                                |
|--|--------------------------------|
|  |                                |
|  | <b>Status: Comply</b>          |
| <b>5.2.2</b>   |                                |
| The site can use one (1) or a combination of supply chain models as audited and certified by the CB.   |                                |
| SamSam Mill is certified palm oil mill which implement Identity Preserved using Module D-CPO Mill for its supply chain models.   |                                |
|  | <b>Status: Comply</b>          |
| <b>5.3</b>   | <b>Documented procedures</b>   |
| <b>5.3.1</b>   |                                |
| The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.   |                                |
| <p>Procedure of identity preserve system for SamSam Mill is presented in document PT IMT-SSMM/SOP/26 on 23/03/2018. This procedure has covers identification and traceability of RSPO certified, as well as responsible person in charge based on identity preserved (certified source). This procedures also mentioned that security, weight bridge clerk, grader, dispatch/kernel officer, production clerk, and etc as critical control point PIC. And this procdures also stated that quarter report calculation was conducted to monitored certified product sales therefore not exceeded claim volume by CB.</p> <p>Based on field visit on SamSam Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified areas were received on weigh bridge with 60 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products.</p> |                                |
|  | <b>Status: Comply</b>          |
| <b>5.3.2</b>   |                                |
| The site shall have a written procedure to conduct annual internal audit   |                                |
| <p>Procedure of internal audit is presented in document Form No. F/SMART/UMUM/SADV/009. The specific statement within the procedure as follow:</p> <ul style="list-style-type: none"> <li>• Objective: Ensuring the process of SPO internal audit in order to acknowledge effectiveness and compliances with applicable certification system requirements.</li> <li>• Internal Audit Program: an internal audit conducting annually (once a year) and possible to perform additional audit in within.</li> <li>• Internal audit has conducted annually. Every findings were discussed into management review meeting. Corrective action is taken if necessary.</li> </ul> <p>SSCS Internal audit report 2018 shown there is no findings or no non-conformity identified related to supply chain management system.</p>   |                                |
|  | <b>Status: Comply</b>          |
| <b>5.4</b>   | <b>Purchasing and goods in</b> |
| <b>5.4.1</b>   |                                |
| The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier   |                                |
| SamSam Mill do not buy any RSPO certified products (CSPO and SCPK) from outsource or traders. All data such as name, address, date of transaction, date of issued claim, transport documentation were match without any non compliance.  |                                |
|  | <b>Status: Comply</b>          |
| <b>5.4.2</b>   |                                |
| The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents  |                                |

Mechanism of handling of RSPO certified and non-certified products is presented in document No. SOP/SMART/CERS-EHSD/SADV/I/003 dated July 1<sup>st</sup> 2014 procedure has covers identification and traceability of RSPO certified and non-certified products, as well as responsible person in charge.

Based on field visit on SamSam Mill, acquired information that PIC for SSCS implementation (for examples weight bridge operators, security, and "Kepala tata usaha") that training and refreshment (awareness) of supply chain management system were carried out annually. FFB from certified and uncertified areas were received on weigh bridge with 60 mt capacity. Software program of "Weighbridge" has used by operator to classified and separate RSPO certified and non-certified products (if any)

**Status: Comply**

## 5.5 Outsourcing activities

### 5.5.1

In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.

SamSam Mill has specific mechanism related to outsource or contractors handling. This procedure namely "SOP Pengendalian Kontraktor (SOP/SMART/UMUM/SADV/I/006, issued 1 July 2014)". This procedure is applicable to all outsource/contractors activities to look carefully at Sustainability aspects in their operation.

Certified CPO from SamSam mill are delivered to Dumai Bulking station and transported by trucks. While the PK are delivered to Kernel Crushing Plant Libo. PT Satrindo Jaya Agropalma as a CPO & PK second parties (transportation services company) is a subsidiary of Golden Agri Resources (RSPO membership).

**Status: Comply**

### 5.5.2

Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:

- The site has legal ownership of all input material to be included in outsourced processes;
- The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.
- The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance

Certified CPO from SamSam mill are delivered to Dumai Bulking station and transported by trucks. While the PK are delivered to Kernel Crushing Plant Libo. PT Satrindo Jaya Agropalma as a CPO & PK second parties (transportation services company) is a subsidiary of Golden Agri Resources (RSPO membership).

Company have working letter agreement for each CPO dan PK transport with second parties i.e PT Satrindo Jaya Agropalma regarding CPO dan PK transport.

- Working letter agreement No 002/IMT/SSMM/01/2017-CPO on January 2 2017, valid until Decemver 31 2019 between PT Ivomas Tunggal and PT Satrindo Jaya Agropalma regarding CPO transport form SSMM to Dumai bulking
- Working letter agreement No 003/IMT/SSMM/01/2017-PK on January 2 2017, valid until Decemver 31 2019 between PT Ivomas Tunggal and PT Satrindo Jaya Agropalma regarding PK transport form SSMM to Libo KCP

Regarding RSPO and SCCS requirements, PT Satrindo Jaya Agropalma as FFB transporter, CPO transporter, and PK transporter shown commitment and listed on Statement letter no 003/LBT-SPO/VII/2018. This statement letter shown that PT Satrindo Jaya Agropalma as transporter will provide access to CB to their respective operations, systems, and

|  |                                     |
|--|-------------------------------------|
| etc.   |                                     |
|  | <b>Status: Comply</b>               |
| <b>5.5.3</b>   |                                     |
| The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.   |                                     |
| Transportation services are using second party outsources. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.   |                                     |
|  | <b>Status: Comply</b>               |
| <b>5.5.4</b>   |                                     |
| The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products   |                                     |
| Transportation services are using second party outsources. Delivery of certified oil palm and palm kernel product is using PT Satrindo Jaya Agripalma. Record of all name and contact details of outsources and contractors are well maintained.   |                                     |
|  | <b>Status: Comply</b>               |
| <b>5.6</b>   | <b>Sales and goods out</b>          |
| <b>5.6.1</b>   |                                     |
| The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: The name and address of the buyer   |                                     |
| Until Re-Cert shown that SamSam Mill only sells RSPO certified product physically. RSPO certified products from SamSam Mill were sold to Dumai Bulking, while PK are sold to Libo KCP. Supporting document such as contract agreement, delivery order, delivery ticket, volume of product delivered, etc. which informed RSPO identity preserved supply chain products were available on site.   |                                     |
| Based on sample Delivery Note (DO CPO RSPO) on January 10 2017 as follow:  |                                     |
| <ul style="list-style-type: none"> <li>• The name and address of the seller; PT Ivomas Tunggal</li> <li>• Delivery date May 11 2018 for 4000 MT CSPO</li> <li>• Name of transporter PT Satrindo Jaya Agriplama</li> <li>• Number certificate MUTU-RSPO/031</li> <li>• Buyer IVOMAS TUNGGAL Dumai Bulking</li> <li>• DO number 1951CPO195118T001</li> </ul>   |                                     |
|  | <b>Status: Comply</b>               |
| <b>5.7</b>   | <b>Registration of transactions</b> |
| <b>5.7.1</b>   |                                     |
| Supply chain actors who:   |                                     |
| <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable</li> </ul>                                   |                                     |
| SamSam Mill are RSPO member and Certified Mill with certificate No MUTU-RSPO/031 and also has been registered with member ID RSPO IT Platform member registration number: RSPO_PO1000001058  |                                     |
|  | <b>Status: Comply</b>               |
| <b>5.7.2</b>   |                                     |
| The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:  |                                     |
| <ul style="list-style-type: none"> <li>• Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul> |                                     |

- Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

SamSam Mill are RSPO member and Certified Mill with certificate No MUTU-RSPO/0301 and also has been registered with member ID RSPO IT Platform member registration number: RSPO\_PO1000001058

For transaction of selling certified product, this mill is using RSPO Palm Trace including Shipping Announcement, Trace, Remove and Confirm. Person in charge for RSPO Palm Trace access were located on Head Office PT SMART, Tbk, Jakarta.

Certified CPO sold to each buyer period Oct 14 2017 to May 25 2018

| Date         | Delivery Order No.    | Volume (mt)     | Destination  |
|--------------|-----------------------|-----------------|--------------|
| 3/11/17      | 1951/CPO/1951/17/T012 | 1506.720        | Dumai bulkng |
| 28/11/17     | 1951/CPO/1951/17/T013 | 2013.600        |              |
| 18/12/17     | 1951/CPO/1951/17/T013 | 1511.240        |              |
| 10/01/18     | 1951CPO195118T001     | 4005.600        |              |
| 27/01/18     | 2150CPO195118T001     | 350.400         |              |
| 05/02/18     | 1951CPO195118T002     | 3988.100        |              |
| 23/03/18     | 1951CPO195118T003     | 2001.380        |              |
| 14/03/2018   | 1951CPO195118T004     | 4008.890        |              |
| 20/04/18     | 1951CPO195118T005     | 997.130         |              |
| <b>Total</b> |                       | <b>20833.06</b> |              |

Buyer declaration and confirmation for examples for delivery order No shown that

Certified Palm Kernel sold to each buyer period September 13 2017 to May 25 2018

| Date         | Delivery Order No. | Volume (mt)     | Destination |
|--------------|--------------------|-----------------|-------------|
| 18/12/17     | 1951KER195117L006  | 750.000         | Libo KCP    |
| 08/01/18     | 1951KER195118L001  | 2001.710        |             |
| 10/03/18     | 1951KER195118L002  | 2021.520        |             |
| 03/02/18     | 2150KER195118L001  | 143.200         |             |
| <b>Total</b> |                    | <b>4916.430</b> |             |

**Status: Comply**

**5.8**

**Training**

**5.8.1**

The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff

Company shown several SCCS training programme 2018 listed on SCCS training programme 2018, for examples consists of SCCS refreshment for Mill PIC. Company have conducted SCCS refreshment training programme for 2018, for examples on June 22 2018 for representative of SCCS PIC for SamSam Mill, Ujung Tanjung Mil, and Libo Mill, attended by 37 participants from each mill.

**Status: Comply**

**5.8.2**

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

Company have conducted SCCS refreshment training programme for 2018, for examples on June 22 2018 for representative of SCCS PIC for SamSam Mill, Ujung Tanjung Mil, and Libo Mill, attended by 37 participants from each mill.

Based on interviews with security guards, weighbridge officers and managers, it is known that key persons in SCCS activities have understood the procedures and can demonstrate how documented FFB, CPO, PK are certified and not certified.

**Status: Comply**

## 5.9 Record keeping

### 5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

SamSam Mill has maintain accurate, complete and up-to-date for the FFB receives, process and CPO & PK production from its supply bases.

The record keeping saves in "Mass Balance Report of SamSam Mill for example periods 2017/2018". Within this record, the certificate holders maintain the FFB's sources based on monthly bases.

| Month        | FFB (mt)         |               |                  |
|--------------|------------------|---------------|------------------|
|              | RSPO Certified   | Non-Certified | Total            |
| 14-31 Oct 17 | 7592.47          | -             | 7592.47          |
| Nov 17       | 15253.10         | -             | 15253.10         |
| Dec 17       | 14320.18         | -             | 14320.18         |
| Jan 18       | 19996.70         | -             | 19996.70         |
| Feb 18       | 13028.70         | -             | 13028.70         |
| March 18     | 16372.94         | -             | 16372.94         |
| Apr 18       | 15932.31         | -             | 15932.31         |
| May 18       | 15359.45         | -             | 15359.45         |
| 1-25 June 18 | 9001.80          | -             | 9001.80          |
| <b>Total</b> | <b>126857.65</b> | <b>-</b>      | <b>126857.65</b> |

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

CPO production and Dispatch for SamSam Mill

| Periods              | CPO production  | CPO Dispatch    |                | Total CPO dispatch |
|----------------------|-----------------|-----------------|----------------|--------------------|
|                      | Cert            | RSPO            | ISCC           |                    |
| <b>Opening stock</b> | <b>1413.43</b>  |                 |                | <b>1413.43</b>     |
| 14-31 Oct 17         | 1603.37         | 76.22           | 1738.59        | 1814.81            |
| Nov 17               | 3173.41         | 2443.52         | 1307.42        | 3750.94            |
| Dec 17               | 2969.88         | 2692.03         |                | 2692.03            |
| Jan 18               | 4137.13         | 4535.16         | 249.91         | 4785.07            |
| Feb 18               | 2798.68         | 2735.79         |                | 2735.79            |
| March 18             | 3493.56         | 2507.43         | 1028.27        | 3535.7             |
| Apr 18               | 3392.95         | 2103.22         | 1323.44        | 3426.66            |
| May 18               | 3242.08         | 1980.41         | 1247.85        | 3228.26            |
| 1-25 June 18         | 1844.65         | 151.60          | 1229.46        | 1381.06            |
| <b>Total</b>         | <b>26655.73</b> | <b>19225.38</b> | <b>8124.94</b> | <b>27350.32</b>    |



Notes : CPO tank capacity 2000 mt x 2

PK production and dispatch

| Periods      | PK production   | PK Dispatch     |
|--------------|-----------------|-----------------|
|              | Cert RSPO       | RSPO            |
| 14-31 Oct 17 | 482.476         | 516.240         |
| Nov 17       | 947.739         | 845.200         |
| Dec 17       | 921.871         | 891.090         |
| Jan 18       | 1168.016        | 1242.680        |
| Feb 18       | 825.572         | 869.860         |
| March 18     | 1079.990        | 1048.160        |
| Apr 18       | 990.292         | 1033.830        |
| May 18       | 1015.111        | 985.910         |
| 1-25 June 18 | 528.132         | 268.270         |
| <b>Total</b> | <b>7959.199</b> | <b>7701.240</b> |

Notes : Kernel storage bin 150 mt x 6

**Status: Comply**

#### 5.9.2

Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

The Certificate Holder has had procedure of Record and Document Handling (SOP/SMART/UMUM/SADV/I/001, issued 1 July 2014) on point 2.4.12.e All records shall be kept within 10 (ten) years.

Based on document verification, the management unit can shown all recording data for two years ago. Such as: contract document, FFB Consignment, CPO and PK Ticket, etc.

**Status: Comply**

#### 5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

SamSam Mill as Certificate Holder did not purchased CPO and/or PK from any sources. This Mill only receives FFB's from Certified area. The estimate volume of sustainable CPO and PK are recorded in the Annex of certificate.

**Status: Comply**

#### 5.10

##### Conversion factors

##### 5.10.1

Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ([www.rspo.org](http://www.rspo.org)); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries

SamSam Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.

**Status: Comply**

##### 5.10.2

Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.

SamSamm Mill only received and processed of FFB's as material input. This mill did not purchase CPO and/or PK from others. Therefore, this mill did not using conversion factors.

**Status: Comply**

**5.11 Claims**

**5.11.1**

The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.

All certified product claims, Management unit never using RSPO symbol or logos. A unique identification number, certificate number and supply chain model are available on relevant documents. Also, the CH using RSPO Palm Trace for communication, transaction, confirmation status and shipping announcement.

The claim has been referred to RSPO Rules on Market Communications and Claims.

**Status: Comply**

**5.12 Complaints**

**5.12.1**

The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.

Mechanism for handling non-conforming oil palm products and complaints are specific describes within "SOP Penanganan Keluhan dan Ketidakpuasan (SOP/SMART/SIGS-CSRD/SADV/II/003, tertanggal 1 Juli 2014)". This procedure is general applied to all complaints aspects, including complaints and non-conforming products from customer/buyer.

**Status: Comply**

**5.13 Management review**

**5.13.1**

The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken

Internal audit for Mill SCCS are paralel conducted with P&C RSPO internal audit, last conducted on February 19 2018. Management review are conduted periodically based on internal audit findings and for 2018, management review was conducted on April 30 2018 by SPO Region and PC Region. The content of Management Review including follow up internal audit findings (if any), customer feedback, process performance and product suitability, and reccomendation for improvement

**Status: Comply**

**5.13.2**

The input to management review shall include information on:

- Results of internal audits covering RSPO Supply Chain Certification Standard.
- Customer feedback.
- Status of preventive and corrective actions.
- Follow-up actions from management reviews.
- Changes that could affect the management system.
- Recommendations for improvement.

Question :

Has all input required above has been included in the management review?

Result of Management Review report on April 30 2018, the following information was discussed:

- ♦ Customer Feedback and Stakeholder Complaints: for 2017-2018, there are no complaints from stakeholder/Customer.
- ♦ Performance of Processing Activity and Conformity of Products: Production of Certified Product, Sales and Goods Out has been appropriate with estimation and supply chain requirements.
- ♦ Any changes of Management System influence: Updating for all sustainability procedures still on progress to be review by management.

|        |  |
|--------|--|
|        | <ul style="list-style-type: none"> <li>♦ Internal Audit of Supply Chain and Follow-Up Actions: there is no non compliance found during internal audit</li> <li>♦ Recommendations for Improvement</li> </ul>  |
|        | <b>Status: Comply</b>  |
| 5.13.3 | <p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul> |
|        | <p>Improvement of the effectiveness of the management system and its processes and resource needs is already included within the Management Review.</p>  |
|        | <b>Status: Comply</b>  |

**3.2.2 (Module D) CPO Mills – Identity Preserved Requirements**

| Clause  | (Module D) CPO Mills – Identity Preserved Requirements |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
|---|--|--------------|------|-------|--------------|----------------|-----|--------|----------------|-----|-------|----------------|-----|-------|----------------|-----|-------|----------------|-----|-------|----------------|-----|-----|----------------|-----|-----|----------------|-----|----------|----------------|-----|-------|----------------|-----|-----|----------------|-----|-------|----------------|-----|-------|----------------|-----|-------|-------|--|-----------|
| D1  | Definition   |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| D.1.1   |  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.   |  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| Samsam Mill is used RSPO supply chain of Identity Preserved module because only received FFB from the estate which has been certified with RSPO.  |  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
|   | Status: Comply   |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| D.2   | Explanation  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| D.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 Samsam Mill obtained from the data of 12 months before the audit activities and have been described in this ASA-4 report. The estimation of CPO and PK is 35,482 ton CPO and 10,483Ton PK.  |  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
|   | Status: Comply   |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| D.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"><li>RSPO IT Platform member registration number: RSPO_01000001058</li><li>Certified CPO sold to each buyer period of 14 Oct 2016 to 22 July 2017</li></ul>  |  |              |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| <table><tr><th>Date</th><th>Buyer</th><th>Volume (Ton)</th></tr><tr><td>14 – 10 – 2016</td><td>GAR</td><td>999.94</td></tr><tr><td>14 – 10 – 2016</td><td>GAR</td><td>1,700</td></tr><tr><td>29 – 10 – 2016</td><td>GAR</td><td>3,500</td></tr><tr><td>08 – 12 – 2016</td><td>GAR</td><td>2,500</td></tr><tr><td>01 – 01 – 2017</td><td>GAR</td><td>1,400</td></tr><tr><td>16 – 01 – 2017</td><td>GAR</td><td>312</td></tr><tr><td>26 – 01 – 2017</td><td>GAR</td><td>800</td></tr><tr><td>26 – 02 – 2017</td><td>GAR</td><td>2,450.72</td></tr><tr><td>22 – 03 – 2017</td><td>GAR</td><td>1,200</td></tr><tr><td>22 – 03 – 2017</td><td>GAR</td><td>601</td></tr><tr><td>21 – 04 – 2017</td><td>GAR</td><td>1,600</td></tr><tr><td>21 – 05 – 2017</td><td>GAR</td><td>2,940</td></tr><tr><td>15 – 06 – 2017</td><td>GAR</td><td>2,000</td></tr><tr><td colspan="2">Total</td><td>22,003.66</td></tr></table> |  |              | Date | Buyer | Volume (Ton) | 14 – 10 – 2016 | GAR | 999.94 | 14 – 10 – 2016 | GAR | 1,700 | 29 – 10 – 2016 | GAR | 3,500 | 08 – 12 – 2016 | GAR | 2,500 | 01 – 01 – 2017 | GAR | 1,400 | 16 – 01 – 2017 | GAR | 312 | 26 – 01 – 2017 | GAR | 800 | 26 – 02 – 2017 | GAR | 2,450.72 | 22 – 03 – 2017 | GAR | 1,200 | 22 – 03 – 2017 | GAR | 601 | 21 – 04 – 2017 | GAR | 1,600 | 21 – 05 – 2017 | GAR | 2,940 | 15 – 06 – 2017 | GAR | 2,000 | Total |  | 22,003.66 |
| Date  | Buyer  | Volume (Ton) |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 14 – 10 – 2016  | GAR  | 999.94       |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 14 – 10 – 2016  | GAR  | 1,700        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 29 – 10 – 2016  | GAR  | 3,500        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 08 – 12 – 2016  | GAR  | 2,500        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 01 – 01 – 2017  | GAR  | 1,400        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 16 – 01 – 2017  | GAR  | 312          |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 26 – 01 – 2017  | GAR  | 800          |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 26 – 02 – 2017  | GAR  | 2,450.72     |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 22 – 03 – 2017  | GAR  | 1,200        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 22 – 03 – 2017  | GAR  | 601          |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 21 – 04 – 2017  | GAR  | 1,600        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 21 – 05 – 2017  | GAR  | 2,940        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| 15 – 06 – 2017  | GAR  | 2,000        |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |
| Total   |  | 22,003.66    |      |       |              |                |     |        |                |     |       |                |     |       |                |     |       |                |     |       |                |     |     |                |     |     |                |     |          |                |     |       |                |     |     |                |     |       |                |     |       |                |     |       |       |  |           |

- Certified Palm Kernel sold to each buyer period of 14 Oct 2016 to 22 July 2017**

| Date           | Buyer                               | Volume           |
|----------------|-------------------------------------|------------------|
| 14 – 10 – 2016 | Libo Kernel Crushing Plant – PT IMT | 2,011.16         |
| 22 – 11 – 2016 | Libo Kernel Crushing Plant – PT IMT | 2,006.56         |
| 31 – 12 – 2016 | Libo Kernel Crushing Plant – PT IMT | 2,006.24         |
| 24 – 02 – 2017 | Libo Kernel Crushing Plant – PT IMT | 2,001.36         |
| 04 – 07 – 2017 | Libo Kernel Crushing Plant – PT IMT | 2,007.14         |
| <b>Total</b>   |                                     | <b>10,032.46</b> |

**Status: Comply**

### D.3 Documented procedures

#### D.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:

- Complete and up to date procedures covering the implementation of all the elements in these requirements;
- 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.

Samsam Mill has SOP for the implementation of supply chain in the identification procedure and Traceability. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. The procedure also explains the related officers and the responsibility in the implementation of the requirements.

The results of interviews with head of administration and weighbridge operator showed that workers have already known the duties and responsibilities of each in the implementation of SCCS.

**Status: Comply**

#### D.3.2

**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

Samsam Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO and then it's labeled on the Delivery Note and the unique code of each supply base.

During the verification in Mill, weighbridge operator has checked FFB document to ensuring FFB delivered from certified supply bases. All FFBs received from certified estate, which is all weighbridge slip marked "certified product". Certified product or "certified supply base" code has been online authorized in SAP "System Analysis and Programmed".

**Status: Comply**

### D.4 Purchasing and goods in

#### D.4.1

**The site shall verify and document the volumes of certified and non-certified FFBs received.**

- Certified and non-certified FFB received for SAMSAM MILL period of 14 Oct 2016 – 24 July 2017**

| Month            | FFB (kg)       |               |            |
|------------------|----------------|---------------|------------|
|                  | RSPO Certified | Non Certified | Total      |
| 14 – 31 Oct 2016 | 10,354,260     | -             | 10,354,260 |
| Nov 2016         | 18,889,400     | -             | 18,889,400 |
| Dec 2016         | 17,316,500     | -             | 17,316,500 |



|  |                  |                    |          |                    |
|--|------------------|--------------------|----------|--------------------|
|  | Jan 2017         | 19,769,770         | -        | 19,769,770         |
|  | Feb 2017         | 18,019,570         | -        | 18,019,570         |
|  | Mar 2017         | 20,889,800         | -        | 20,889,800         |
|  | Apr 2017         | 18,148,420         | -        | 18,148,420         |
|  | May 2017         | 22,061,930         | -        | 22,061,930         |
|  | June 2017        | 16,045,510         | -        | 16,045,510         |
|  | 1 – 24 July 2017 | 12,638,470         | -        | 12,638,470         |
|  | <b>TOTAL</b>     | <b>174,133,630</b> | <b>-</b> | <b>174,133,630</b> |

**Status: Comply**

#### D.4.2

**The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.**

Samsam Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. This procedure states that in case the projection is exceeding the claim of certified product, then company should perform: informs related RSPO certification body and RSPO IT System/ e-trace. On 26 May 2017, PT Ivomas Tunggal sent email to CB (Mutuagung Lestari) to extend the volume and on 30 July 2017 palmtrace has been approve the extension. The volume after extension is 60,597 MT CPO and 18,042 MT PK.

CSP0 and CSPK production from 14 October 2016 to 24 July 2017 was 36,879.814 Ton CSP0 and 11,114.117 Ton CSPK.

**Status: Comply**

#### D.5

**Record keeping**

##### D.5.1

**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.**

Samsam Mill has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified product (CPO and PK) on a three-monthly basis as describe on table below

| Period       | CPO Production (Kg) |          |                   | CPO Despatch (Kg) |                  |          |                   |
|--------------|---------------------|----------|-------------------|-------------------|------------------|----------|-------------------|
|              | Cert                | Non      | Total             | RSPO              | ISCC             | Non      | Total             |
| Oct 16       | 3,887,697           | -        | 3,887,697         | 1,701,650         | 2,496,490        | -        | 4,198,140         |
| Nov 16       | 3,908,030           | -        | 3,908,030         | 2,764,050         | 402,260          | -        | 3,166,310         |
| Dec 16       | 3,675,790           | -        | 3,675,790         | 852,210           | 3,185,070        | -        | 4,037,280         |
| <b>Total</b> | <b>11,471,517</b>   | <b>0</b> | <b>11,471,517</b> | <b>5,317,910</b>  | <b>6,083,820</b> | <b>0</b> | <b>11,401,730</b> |
| Jan 17       | 4,136,306           | -        | 4,136,306         | 1,349,090         | 3,285,000        | -        | 4,634,090         |
| Feb 17       | 3,787,682           | -        | 3,787,682         | 2,644,820         | 1,073,210        | -        | 3,718,030         |
| Mar 17       | 4,334,599           | -        | 4,334,599         | 3,071,650         | 1,251,290        | -        | 4,322,940         |
| <b>Total</b> | <b>12,258,587</b>   | <b>0</b> | <b>12,258,587</b> | <b>7,065,560</b>  | <b>5,609,500</b> | <b>0</b> | <b>12,675,060</b> |
| Apr 17       | 3,872,554           | -        | 3,872,554         | 1,576,160         | 1,773,880        | -        | 3,350,040         |
| May 17       | 4,720,048           | -        | 4,720,048         | 2,493,700         | 2,700,580        | -        | 5,194,280         |
| June 17      | 3,390,002           | -        | 3,390,002         | 400,310           | 2,473,540        | -        | 2,873,850         |
| <b>Total</b> | <b>11,982,604</b>   | <b>0</b> | <b>11,982,604</b> | <b>4,470,170</b>  | <b>6,948,00</b>  | <b>0</b> | <b>11,418,170</b> |

| Period | PK Production (Kg) |     |           | PK Despatch (Kg) |      |     |           |
|--------|--------------------|-----|-----------|------------------|------|-----|-----------|
|        | Cert               | Non | Total     | RSPO             | ISCC | Non | Total     |
| Oct 16 | 1,151,079          | -   | 1,151,079 | 1,036,290        | -    | -   | 1,036,290 |
| Nov 16 | 1,226,279          | -   | 1,226,279 | 1,100,530        | -    | -   | 1,100,530 |

|              |                  |          |                  |                  |          |          |                  |
|--------------|------------------|----------|------------------|------------------|----------|----------|------------------|
| Dec 16       | 1,151,775        | -        | 1,151,775        | 1,237,460        | -        | -        | 1,237,460        |
| <b>Total</b> | <b>3,529,133</b> | <b>0</b> | <b>3,529,133</b> | <b>3,374,280</b> | <b>0</b> | <b>0</b> | <b>3,374,280</b> |
| Jan 17       | 1,362,845        | -        | 1,362,845        | 1,245,310        | -        | -        | 1,245,310        |
| Feb 17       | 1,149,393        | -        | 1,149,393        | 1,096,320        | -        | -        | 1,096,320        |
| Mar 17       | 1,341,175        | -        | 1,341,175        | 1,683,520        | -        | -        | 1,683,520        |
| <b>Total</b> | <b>3,853,413</b> | <b>0</b> | <b>3,853,413</b> | <b>4,025,150</b> | <b>0</b> | <b>0</b> | <b>4,025,150</b> |
| Apr 17       | 1,127,101        | -        | 1,127,101        | 1,108,840        | -        | -        | 1,108,840        |
| May 17       | 1,429,661        | -        | 1,429,661        | 1,349,950        | -        | -        | 1,349,950        |
| June 17      | 951,871          | -        | 951,871          | 1,025,640        | -        | -        | 1,025,640        |
| <b>Total</b> | <b>3,508,633</b> | <b>0</b> | <b>3,508,633</b> | <b>3,484,480</b> | <b>0</b> | <b>0</b> | <b>3,484,480</b> |

Based on the data, the delivery of certified product (CPO and PK) only from positive stock.

|              |   |
|--------------|---|
|              | <b>Status: Comply</b>   |
| <b>D.6</b>   | <b>Processing</b>   |
| <b>D.6.1</b> | <b>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage</b> |
|              | Samsam Mill only processes FFB from RSPO certified estate, so the entire product is CSPO and CSPK.  |
|              | <b>Status: Comply</b>   |
| <b>D.6.2</b> | <b>The objective is for 100 % segregated material to be reached</b>   |
|              | Samsam Mill only processes FFB from RSPO certified estate.  |
|              | <b>Status: Comply</b>   |

**3.3 Conformity Checklist of Certificate and Trademark Use**

|           |  |              |
|-----------|--|--------------|
| <b>1.</b> | <b>Evidence of permission or approval certificate and Trademark from Certification Body which submitted by Client</b>                                    | <b>X or√</b> |
| <b>RC</b> | The company does not use RSPO Trademark. GAR as a parent company of PT Ivomas Tunggal has license to use trademark with license Number: 1-0096-11-100-00 | √            |
| <b>2.</b> | <b>Implementation of certificate and Trademark used by Client comply with size and type (shape) against Guideline of Trademark Use</b>                   | <b>X or√</b> |
| <b>RC</b> | The company does not use RSPO Trademark. GAR as a parent company of PT Ivomas Tunggal has license to use trademark with license Number: 1-0096-11-100-00 | √            |
| <b>3.</b> | <b>Implementation of Certificate and Trademark is not used on product</b>  | <b>X or√</b> |
| <b>RC</b> | The company does not use RSPO Trademark. GAR as a parent company of PT Ivomas Tunggal has license to use trademark with license Number: 1-0096-11-100-00 | √            |
| <b>4.</b> | <b>Controlling of Certificate and Trademark, including withdrawing inappropriate Trademark.</b>  | <b>X or√</b> |
| <b>RC</b> | The company does not use RSPO Trademark. GAR as a parent company of PT Ivomas Tunggal has license to use trademark with license Number: 1-0096-11-100-00 | √            |

### 3.4 Summary of RSPO Partial Certification

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

Golden Agri Resources, Ltd Time Bound Plan (TBP) is explained in table 1.10. Golden Agri Resources run eighteen (45) mills and one hundred seventy six (176) estates in Indonesia and has been RSPO certified for twenty nine (29) mills and supply base in Indonesia. Golden Agri Resources, Ltd has informed the TBP progress, MUTU has considered that Golden Agri Resources, Ltd is comply with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Golden Agri Resources, Ltd on January 31, 2016 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of Golden Agri Resources, Ltd based on their Time Bound Plan. There are sixteen (16) uncertified management unit of GAR. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

| 2.1 Un-Certified Units or Holdings |  |   |
|------------------------------------|--|---|
| Section                            | Requirement  | Concerns to Discuss, if any   |
| 2.2.1                              | Did the company conduct an internal audit? If so, has a positive assurance statement been produced?  | <p><b>Company Group/Holding Statement:</b><br/>Yes, there was an internal audit and has positive assurance statement.</p> <p><b>Auditor Verification:</b><br/>Internal Audit report available for PT Sawitakarya Manunggal (Sawita Mill and supply base)</p>  |
| 2.2.2                              | <p>No replacement after dates defined in NIs Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul> | <p><b>Company Group/Holding Statement:</b><br/>GAR and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014 and the company has been sent data evidence of LUCA to RSPO by email dated April 11, 2016. Progress result of review LUCA at follow-up via email RSPO dated October 24, 2016 to answer RSPO is still in the review process.</p> <p><b>Auditor Verification:</b><br/>RaCP Process for:</p> <ul style="list-style-type: none"> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</li> </ul> |

|       |   |  |
|-------|---|--|
|       |   | <ul style="list-style-type: none"> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base)</li> <li>- PT SMART (Bukit Kapur Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base)</li> </ul>  |
| 2.2.3 | Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.   | <p><b>Company Group/Holding Statement:</b><br/>There is no new planting.</p> <p><b>Auditor Verification:</b><br/>Based on auditor verification there are some new planting conducted by company, but NPP has been applied these.</p> <ul style="list-style-type: none"> <li>- PT Binawit Abadi Pratama (Perdana Mill and supply base)</li> <li>- PT Agrokarya Prima Lestari (Kuayan Mill and supply base)</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base)</li> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base)</li> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1<sup>st</sup> 2010 and NPP has been applied these.</li> </ul>   |
| 2.2.4 | Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6. | <p><b>Company Group/Holding Statement:</b><br/>There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/II/02). This procedure regulates social conflict settlement agreed. Conflict resolution can be done in a participatory manner and can also be done by a third party (mediator). The company also has procedures to deal with complaints before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003. The company handling complaints appropriately and quickly. GAR has been initiated to become a member of RSPO DSF as a category "out growers".</p> <p><b>Auditor Verification:</b><br/>Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Sungai Kupang Mill and supply base)</li> <li>- PT Mitra Karya Agroindo (Tangar Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base)</li> </ul> |



|       |  |   |
|-------|--|---|
|       |  | <p>supply base)</p> <ul style="list-style-type: none"> <li>- PT SMART (Bukit Kapur Mill and supply base)</li> </ul> <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> <li>- PT Agrolestari Mandiri (Pekawai Mill and supply base)</li> <li>- PT Sinar Kencana Inti Perkasa (Sungai Magalau Mill and supply base)</li> <li>- PT Sawit Mas Sejahtera (Sungai Kikim and supply base)</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base)</li> <li>- PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base)</li> </ul>   |
| 2.2.5 | Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.                   | <p><b>Company Group/Holding Statement:</b></p> <p>There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/I/003. Procedures related employee issues arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media used complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p><b>Auditor Verification:</b></p> <p>There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>  |
| 2.2.6 | Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2. | <p><b>Company Group/Holding Statement:</b></p> <p>Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/I/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p><b>Auditor Verification:</b></p> <p>Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> <li>- PT Paramitra Internusa Pratama (Belian Mill and supply base), still in the process of</li> </ul> |

|  |  |  |
|--|--|--|
|  |  | <p>Committee B and the company has got plantation business permit (IUP)</p> <ul style="list-style-type: none"> <li>- PT Sinar Kencana Inti Perkasa (Kasuari Mill and supply base), there is a legal non-compliance.</li> <li>- PT Agro Lestari Sentosa (Jalemo Mill and supply base) and PT Adi Tunggal Mahajaya (Sako Mill) doesn't have Land Use Title (HGU).</li> <li>- PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location.</li> <li>- PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.</li> <li>- PT Sawitakarya Manunggal there is an area is still in process for HGU (Committee B meeting).</li> <li>- PT Djuanda Sawit Lestari is an area is still in process for HGU Muara Kandis Estate (574.58 Ha)</li> <li>- PT Ivomas Tunggal there is an area is still in process for HGU Samsam Estate (29.09 Ha), Kandista Estate (158.46 Ha), Nenggala Estate (419.9 Ha), Sei Rokan Estate (102.7 Ha), Ujung Tanjung Estate (557.3 Ha)</li> <li>- PT Buana Wiralestari Mas there is an area is still in process for HGU Naga Mas Estate (253.39 Ha), Naga Sakti Estate (59.79 Ha), Kijang Mas Estate (56.07 Ha)</li> <li>- PT Ramajaya Pramukti there is an area is still in process for HGU Rama Rama Estate (318.76 Ha)</li> </ul> |
|--|--|--|

**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-4 Assessment**

|   |   |   |                        |   |   |
|---|---|---|------------------------|---|---|
| <b>NCRNo.</b>   | : | - | <b>Issued by</b>       | : | - |
| <b>Date Issued</b>  | : | - | <b>Time Limit</b>      | : | - |
| <b>NC Grade</b>   | : | - | <b>Date of Closing</b> | : | - |
| <b>Standard Ref. &amp; Requirement</b>  | : | - |                        |   |   |
| <b>Non-Conformance Description &amp; Evidence observed :</b>                  |   |   |                        |   |   |
| During the surveillance-4 assessment there was no non-conformance identified. |   |   |                        |   |   |
| <b>Root Cause Analysis:</b>   |   |   |                        |   |   |
| -   |   |   |                        |   |   |
| <b>Corrective Action:</b>   |   |   |                        |   |   |
| -   |   |   |                        |   |   |
| <b>Preventive Action:</b>   |   |   |                        |   |   |
| <b>Assessor Evaluation and Conclusion:</b>                                    |   |   |                        |   |   |
| -   |   |   |                        |   |   |
| <b>Verified by</b>  | : | - |                        |   |   |

**3.5.2 Identification of Findings, Corrective Actions and Observations at RC Assessment**

|  |   |   |                        |   |   |
|--|---|---|------------------------|---|---|
| <b>NCR No.</b>   | : | - | <b>Issued by</b>       | : | - |
| <b>Date Issued</b>   | : | - | <b>Time Limit</b>      | : | - |
| <b>NC Grade</b>  | : | - | <b>Date of Closing</b> | : | - |
| <b>Standard Ref. &amp; Requirement</b>   | : | - |                        |   |   |
| <b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i> |   |   |                        |   |   |
| During the RE-CERT assessment there was no non-conformance identified.                 |   |   |                        |   |   |
| <b>Root Cause Analysis</b> <i>(filled by organization audited):</i>                    |   |   |                        |   |   |
| <b>Correction</b> <i>(filled by organization audited):</i>                             |   |   |                        |   |   |
| <b>Corrective Action</b> <i>(filled by organization audited):</i>                      |   |   |                        |   |   |
| <b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>                  |   |   |                        |   |   |
| <b>Verified by</b>   | : |   |                        |   |   |

**3.5.3 Opportunity for Improvement**

| No | Ref. Std. | Description Deskripsi  |
|----|-----------|--|
| 1  | -         | Ascertain RSPO logo usage for all unit (estate and mill)   |
| 2  | 1.1.1     | Socialization for position structure and permanent workers rank on estate and mill   |
| 3  | 2.2.4     | The complaint from Sakai Tribe has been facilitated by Siak District and also reported to police. The progress of complaint resolving will be observed in next assessment. |
| 4  | 4.7.3     | Evaluation for implementation of PPE distribution for new worker   |
| 5  | 5.3.2     | Evaluation for workers awareness regarding toxic and hazardous waste procedures<br>Evaluation for management control regarding toxic and hazardous waste management        |
| 6  | 6.3.2     | Progress completion for Sakai tribes complaint   |
| 7  | 6.5.2     | Working agreement maker awareness regarding company policy for PPE distribution and provision  |

**3.5.4 Noteworthy Positive Components**

| No | Ref Std | Descriptions  |
|----|---------|---|
| 1  | -       | Establishment of Masyarakat Peduli Api                              |
| 2  | -       | <i>Peremajaan Sawit Rakyat</i> programme for independet smallholder |
| 3  | -       | Community development for Sakai Kandis Tribes                       |
| 4  | -       | Biogas Plant as green house gases reducing action                   |



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

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Responses   |
|---|---|
| <b>Batin Singo Majo (Head of Sakai Tribe) and Youth Figure</b> <ul style="list-style-type: none"> <li>The company once provided compensation at the beginning of land clearing in 1983</li> <li>There is a complaint from the community related to the operation of PT IMT located in the overlap area with PT CPI, and is considered to have not made compensation to the sakai community.</li> <li>PT IMT is considered to be less concerned about the sakai community</li> <li>There was a meeting between PT IMT and the sakai community related to aid for art and culture, but there was no realization</li> <li>The company prohibits people from taking the FFB that have been cutting during replanting activity.</li> </ul> | <p>There is a negative issue from the sakai community. The Company has presented evidence of compensation to the community in Belutu Village in 1984 and 1994. The complaints from the Sakai community have been mediated by the Siak District Government and have been reported to the police. PT IMT has provided business assistance to the sakai community such as the occasional manufacture of goats, catfish ponds, chicken coops and vegetable gardens. The company also provides guidance to the sakai community in order to run its business independently. The progress of complaint resolving will be observe in next assessment (OFI).</p> |
| <b>LBH Sakai</b> <ul style="list-style-type: none"> <li>There is a complaint from the community related to the operation of PT IMT located in the overlap area with PT CPI, and is considered to have not made compensation to the sakai community.</li> <li>PT IMT is considered to be less concerned about the sakai community</li> <li>There was a meeting between PT IMT and the sakai community related to aid for art and culture, but there was no realization</li> </ul>  | <p>There is a negative issue from the sakai community. The Company has presented evidence of compensation to the community in Belutu Village in 1984 and 1994. The complaints from the Sakai community have been mediated by the Siak District Government and have been reported to the police. PT IMT has provided business assistance to the sakai community such as the occasional manufacture of goats, catfish ponds, chicken coops and vegetable gardens. The company also provides guidance to the sakai community in order to run its business independently. The progress of complaint resolving will be observe in next assessment (OFI).</p> |
| <b>National Land Agency, Siak Regency</b> <ol style="list-style-type: none"> <li>Opening of New Area<br/>Up to the time of the consultation, there has been no application from the company for the handling of HGU certificates related to the opening of new areas;</li> <li>Land Dispute.<br/>There is a demand from the community (Sakai tribe) related to plasma (same as informed by the Siak District Agricultural Service). Up to the time of consultation there has not been known progress handling.</li> <li>Utilization of HGU Area.<br/>So far, BPN has found out that the company has utilized HGU area according to its allocation</li> </ol>  | <p>There is a negative issue from the sakai community. The Company has presented evidence of compensation to the community in Belutu Village in 1984 and 1994. The complaints from the Sakai community have been mediated by the Siak District Government and have been reported to the police. PT IMT has provided business assistance to the sakai community such as the occasional manufacture of goats, catfish ponds, chicken coops and vegetable gardens. The company also provides guidance to the sakai community in order to run its business independently. The progress of complaint resolving will be observe in next assessment (OFI).</p> |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Responses  |
|---|--|
| <p><b>Agricultural Agency, Siak Regency</b></p> <ol style="list-style-type: none"> <li>Report on Plantation Business Activities (LKUP); <ul style="list-style-type: none"> <li>Has been received Progress Report of Plantation Business Activity (LKUP) period January - December 2017 pursuant to letter No.1 / IMT / BP / II / 2018 dated 12 February 2018</li> <li>In the LKUP has not been reported the implementation of replanting activity.</li> <li>There are complaints of the oil palm smallholder around plantation of PT. Single Ivomas associated with increased pest attacks <i>Oryctes</i> sp. which is suspected as a result of replanting activities.</li> </ul> </li> <li>Assessment of Plantation Enterprises (PUP) <ul style="list-style-type: none"> <li>The last PUP was implemented in 2015 (Class III). The next PUP will be done in July 2018.</li> <li>The Company has submitted an application for PUP pursuant to letter No.160 / DL-PBRO / V / 2018 dated 23 May 2018.</li> <li>The Agricultural Service will conduct PUP by July 2018. The PUP form has been submitted to the company for subsequent verification or confirmation.</li> </ul> </li> <li>Fire Prevention and Mitigation. <ul style="list-style-type: none"> <li>On 3 May 2018, the company delivered a fire report on Block L28, Division 4, Samsam Estate. The fire occurred at 15:45 WIB and the fire was extinguished at 16:30 Wib.</li> <li>It has been reported by Samsam Estate Manager to Police Office of Kandis Sector in letter No. / SSME / Ext / 03/2018 dated 13 March 2018 which reports that the fire has been extinguished, the cause of the fire is unknown, and the burnt area of 0.04 ha (6 palm oil).</li> </ul> </li> <li>Disturbance of Plantation Enterprises<br/>So far there has been no issue of disturbance of plantation business, whether oral, written, or in electronic media.</li> <li>Land Dispute <ul style="list-style-type: none"> <li>There is a letter from <b>Lembaga Adat Melayu Riau Batin Area 5 Sakai</b> No. 04 / LASR-SIAK / 2014, dated 4 December 2012 regarding Plasma Application to PT. Ivomas Tunggal. The Agricultural Agency explained that there is a land that the company works with Cevron for oil palm plantation, but the Sakai people is not involved.</li> <li>This has been followed up by a letter from the Head of Forestry and Estate Crops. 525 / Dishutbun / X / 2012/5000 dated 29 October 2012 to the Director General of Estate Crops, Ministry of Agriculture. However, until this consultation has been done, it has not yet known the progress of the handling.<br/>Auditor Comments: The auditor will clarify the matter to the PT. Ivomas Tunggal.</li> </ul> </li> <li>Smallholder Oil Palm Development</li> </ol> | <p>Related oryctes attack intensity on replanting activities company shown management listed on IPM programme 2018. Oryctes control are done by cymbush 250EC application based on census and integrated pest management by planting <i>turnera subulata</i>.</p> <p>Company have proposed "<i>Penilaian Usaha Perkebunan</i>" to Siak Plantation Agency on May 23 2018. Based on interview with related agencies acquired information that "<i>Penilaian Usaha Perkebunan</i>" are planned conducted on July 2018</p> <p>There is a negative issue from the sakai community. The Company has presented evidence of compensation to the community in Belutu Village in 1984 and 1994. The complaints from the Sakai community have been mediated by the Siak District Government and have been reported to the police. PT IMT has provided business assistance to the sakai community such as the occasional manufacture of goats, catfish ponds, chicken coops and vegetable gardens. The company also provides guidance to the sakai community in order to run its business independently. The progress of complaint resolving will be observe in next assessment (OFI).</p> |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Responses  |
|---|--|
| <p>PT. Ivomas Tunggal has been doing the community development activities around the community, namely the replanting of Smallholder oil palm of 264 ha spreading in 4 villages.</p> <p>7. Proposed New Business License.<br/>The company has not yet applied for a new area expansion permit.</p>  |  |
| <p><b>Environmental Agency, Siak Regency</b></p> <p>1. Periodic Reports<br/>Periodic reports have been received from PT. Ivomas Tunggal, namely:</p> <ul style="list-style-type: none"> <li>- Environmental Management Report (RKL / RPL including air report) Semester-2 Year 2017. Report received on 09 May 2018;</li> <li>- Quarterly Liquid Wastes Report of 2017 (received on 06 March 2018);</li> <li>- First Quarter Liquid Waste Report 2018 (received on 26 April 2018);</li> <li>- Land Application (LA) Report of Second Semester of 2017 from 3 POM / Mills;</li> <li>- Report of Fire (Hot Spot) Monitoring First Quarter of 2018 (received on 04 May 2018);</li> <li>- Hazardous Waste, last received on 24 April 2018.</li> </ul> <p>2. Environmental Pollution<br/>The Environmental Agency explained that until this consultation was held there were no complaints from the community around the operational area of PT. Ivomas Tunggal who reports / complies with regard to environmental disharmony caused by company activity.</p> <p>3. Environmental Management<br/>Also informed that the company has been certified Proper (Blue) from the Ministry of Environment and Forestry.</p> | <p>There is no negatives issues related environmental management done by company. CH has demonstrate the compliance to RSPO P&amp;C criteria 2.1, 4.3, 5.1 and 5.3.</p>  |
| <p><b>Transmigration and Manpower Office, Siak Regency</b></p> <p>1. Periodic Reports<br/>Since 2017 several aauthorities have been transferred to the Provincial Manpower Office, among others:</p> <ul style="list-style-type: none"> <li>- Reports related to Labor Reported Obligatory (WLTk) have become authoritative.</li> <li>- P2K3 Report, for example related to work accident.</li> </ul> <p>2. Supervision<br/>The supervision of the company is already the duty of the Provincial Manpower Agency.</p> <p>3. Collective Labor Agreement (PKB)<br/>PKB between employees with PT. Ivomas Tunggal for the period 2015 - 2017 has ended. There has been a one year renewal request (2018 - 2019). When the consultation is done, the extension is still in progress.</p>  | <p>There is no negative issues related workers and company. Compulsory report have been submitted regularly by company. CH has demonstrate the compliance to RSPO P&amp;C criteria 2.1, 4.7, 6.5 and 6.6.</p> <p>CH has inform the workers which not present by sending warning letter until 3 times, but the worker do not care. This has been accordance with Collective Labour Agreement and the work termination has been inform to worker family, because the worker cannot be found.</p> |

| Public Issues<br>(Institution/ NGO/Community)  | Auditor Responses   |
|--|---|
| <p>4. Industrial Relation<br/>There is Decree No. 001 / SSME-PHK / VI / 2018 dated June 23, 2018 on layoffs a.n Agus Subekti (Manuring Foreman) which is at Samsam Estate because on June 19, 2018 did not go to work without permission. Not yet known the progress of this case.</p> <p>5. Registration of LKS<br/>There is a Proof of Registration of LKS (568 / LKS-B / DSTTK / I / 2013/06) Bipatertite Letters from DTTK No. 568 / Distransnaker / VII / 2017/471 dated July 18, 2017 with organizational structure, namely:<br/>Chairman: Benny Purba (Deputy Workers)</p>  |   |
| <p><b>Head of Jambai Makmur Village, Head of Sungai Gondang Villages, and Head of Pencing Bekulo Villages</b></p> <ul style="list-style-type: none"> <li>Relationship between company and surrounding villages are maintained well</li> <li>Job vacancy for Local community worker were delivered to head of villages transparently</li> <li>Fund relief for CD/CSR are conducted based on company procedures i.e by proposed proposal</li> <li>There is no Land conflict issues until now</li> <li>During 2017-2108, there is no landfire occurrence on Libo mill and its supply base</li> <li>Company shown commitment for local community development by CSR</li> <li>CD/CSR are conducted annualy based on community needs</li> <li>Company have socialized policy and procedures related RSPO for examples related tranparency, FFB price, HCV, and CD/CSR</li> </ul>             | <p>Company shown compliance related to RSPO standard and described on this report for examples, described on indicator 2.2, 6.1, 6.2, 6.3, 6.10, 6.11</p> |
| <p><b>Head Of Sakai Youth and Head Of Yayasan Sakai Mandiri</b></p> <ul style="list-style-type: none"> <li>Company shown commitment for local communities development and local people customary right by Yayasan Sakai Mandiri establishment</li> <li>Yayasan Sakai Mandiri board disignated by themselves without company intervention</li> <li>PT IMT has provided business assistance to the sakai community such as goats livestock, catfish ponds, chicken coops and vegetable gardens.</li> <li>The company also provides guidance to the sakai community in order to run its business independently</li> <li>Sakai Tribes workers acceptance during 2018 on PT IMT are reaching 218 people</li> <li>Company also gives scholarship for Sakai tribes children surrounding company, during 2018 company has realized 1 colleges scholarship for Sakai tribes children</li> </ul> | <p>Company shown compliance related to RSPO standard and described on this report for examples, described on indicator 6.1 &amp; 6.11</p>                 |

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Responses  |
|---|--|
| <p><b>Serikat Pekerja Pertanian Perkebunan – Serikat Pekerja Seluruh Indonesia/ SPPP – SPSI (head of brach of FSPPP – SPSI Siak District)</b></p> <ul style="list-style-type: none"> <li>• The company has granted freedom of association to all workers, there is no intimidation by companies.</li> <li>• The internal meeting of SPSI is in accordance with the needs of each work unit in the company.</li> <li>• Schedule of regular meetings is 3 months interval for each PUK.</li> <li>• In the past year there was a meeting between PUK and the company at UTNE regarding industrial relations improvement.</li> <li>• There are no specific issues related to labor and industry.</li> <li>• The latest listing in the Siak District at 2015.</li> <li>• Each SPSI member has a membership card with a fee of IDR 10,000 / month through monthly salary deductions by member agreement.</li> <li>• PKB/CLA is still used the same as last year that is period 2015-2017. Currently progress has reached until discussion of several articles at the headquarters BKS PPS.</li> <li>• The Company has implemented a minimum wage of 2018 that is IDR 2,617,500, - (include natura).</li> <li>• Internal documentation about meeting of trade union is well documented.</li> <li>• Internal meetings or meetings with management have been conducted and the results are documented in the form minutes of meetings.</li> <li>• Communication both the union and the company has been well established. If there are complaints or requests for information from the union then the company has responded according to the procedures they have.</li> <li>• The complaints of employee is submitted to each PUK. Each PUK coordinates to foreman or assistant and subsequent bipartite to be processed.</li> <li>• Bipartite institutions are still active.</li> <li>• According to SPSI currently no longer Daily contract worker (BHL) but has been appointed to PKWT and rights of employment have been met by companies such as wages, BPJS.</li> <li>• All workers have been enrolled in the BPJS Employment and BPJS Health program.</li> <li>• Progress of the development of employee facilities now is the construction of permanent homes for employees.</li> <li>• (Progress by SPSI is still progress and has been established permanent housing in Nenggala 100%, Palapa is already running, LIBE is already running, UTNE is still running. The</li> </ul> | <p>The company has shown good cooperation with unions. There are no significant employment issues for 2017 to 2018.</p> <p>SPSI has consolidated with the company to make first health facility (faskes I). To facilitate and improve the quality of health services for employees. The company has approved it sometime in May 2016. Currently SPSI is expecting follow-up of it to be hastened.</p> <p>(information submitted by the SPSI that is currently under preparation like there are more requirements such as there should be nursing room, pharmacist, playground. Each Siak region's central clinic for first health facility (there is a central clinic of LIBE, UTNE, SSME). Currently this facility is in Pasar Minggu, Kandis Kota.</p> |



| Public Issues<br>(Institution/ NGO/Community)   | Auditor Responses  |
|---|--|
| <p>company's constraint is the area that is still in the form of palm so it is waiting for replanting period. The employee housing is still assessed condition is still feasible. Drill wells already provided by the company in housing for example in Kandista there are 11-12 drilling machines to be used as wells drill.</p> <ul style="list-style-type: none"> <li>Aspiration from SPSI 2018: progress Health Facility is expected to be realized soon. Although all this time the company has facilitated in terms of health services.</li> </ul>  |  |
| <p><b>PT Putra Paris Pusako, Civil Local Contractors- Kandis.</b></p> <ul style="list-style-type: none"> <li>Start working with PT Ivomas Tunggal since 2011. Currently working on several projects in PT Ivomas Tunggal Region Siak unit, including:               <ol style="list-style-type: none"> <li>Repair floor in grading station and road to Ujung Tanjung Mill (UTJM)</li> <li>Infrastructure work projects in the grading and trenches of Libo factory (LIBM)</li> <li>Care home Libo Estate staff (LIBE)</li> <li>Improved mes employees and training Ujung Tanjung Training Center (UTJZ)</li> </ol> </li> <li>Contracts of employment with the company are made on the basis time of completion of work varying from 1 to 6 months.</li> <li>Every employment contract is made in accordance with the agreement of both parties and held by the copy of each party.</li> <li>The employment agreement contains articles such as payment methods, occupation, OHS aspects and employment such as the provision of PPE and registration on accident insurance of contractor workers by the contractor.</li> <li>Payments by the company have been made on time and in accordance with the agreement. For example technical payment is made 15 days after the event of completion of work.</li> <li>Work Order is made by the head office or plantation according to the contract value.</li> <li>Contractors assess the company has given opportunity to local contractors.</li> </ul> | <p>The documents review relating to contracts made has been signed by both parties covering technical aspects, implementation reports, payments, OHS aspect and employment.</p>  |
| <p><b>Gender Committee of Libo Mill (Chairman)</b><br/><b>LIBE, SSME, LIBM, UTNE&amp;UTJM</b></p> <ul style="list-style-type: none"> <li>Gender committee is still active. Annual routine programs have been partially realized such as joint socialization for the entire Siak region in UTJZ in June 2017 on training of Sexual Harassment Prevention.</li> <li>Other routine programs that are still implemented such as monthly posyandu. In these routine activities that gender</li> </ul>  | <p>Based on document review has been shown some gender committee programs that have been realized and documented by the SPO Officer of each unit. No issue of employment discrimination by sex, sexual harassment or infringement of the reproductive rights of women workers.</p> |

| Public Issues<br>(Institution/ NGO/Community)  | Auditor Responses |
|--|-------------------|
| <p>committees enter to provide counseling such as women's reproductive health and sexual harassment prevention. Activity documentation has been well kept by SPO Officer.</p> <ul style="list-style-type: none"> <li>• Within 2017/2018 there were no reports of sexual harassment, violence against women workers or reproductive rights policy violations.</li> <li>• Socialization of prevention policies of sexual harassment and protection of women's rights has been submitted to all workers and guarantee protection for the complainant or victims and witnesses.</li> <li>• The Company has consistently implemented H1 and H2 mechanisms</li> <li>• There is no reporting of discrimination especially on women workers conducted by the company. The company has provided opportunities to work without discriminating gender.</li> <li>• The procedure is still the same until the Recertification is for leave H1 should get approval from the assistant division and get examination at the clinic. Workers rest in the clinic / home during work permits and without pay cuts.</li> </ul> |                   |

**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 Ivomas Tunggal  
Management Representative

A handwritten signature in black ink, appearing to be "Ismu Zulfikar".

**Ismu Zulfikar**  
27 July 2018

Mutuagung Lestari  
Lead Auditor

A handwritten signature in black ink, appearing to be "Ardiansyah".

**Ardiansyah**  
27 July 2018

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

| No | Institution/NGO/Community   | Address                      | Phone/Email  | Form of Communication | Date of Contact | Response |    |
|----|---|------------------------------|--|-----------------------|-----------------|----------|----|
|    |   |                              |  |                       |                 | Yes      | No |
| 1  | Environmental Agency  | Siak Regency                 | -  | Interview             | 26 June 2018    | ✓        |    |
| 2  | Plantation Agency   | Siak Regency                 | -  | Interview             | 26 June 2018    | ✓        |    |
| 3  | National Land Agency  | Siak Regency                 | -  | Interview             | 26 June 2018    | ✓        |    |
| 4  | Manpower and Transmigration Agency  | Siak Regency                 | -  | Interview             | 26 June 2018    | ✓        |    |
| 5  | Youth figure of Sakai Tribe   | Belutu Village, Siak Regency | -  | Interview             | 4 July 2018     | ✓        |    |
| 6  | Head of Sakai Tribe – <i>Batin Singo Majo (previous land owner)</i> and youth figure  | Siak Regency                 | -  | Interview             | 4 July 2018     | ✓        |    |
| 7  | Head of Jambai Makmur Village, Head of Sungai Gondang Villages, and Head of Pencing Bekulo Villages   | Kandis, Siak Regency         | -  | Interview             | 26 June 2018    | ✓        |    |
| 8  | Jikalahari  | Pekanbaru, Riau Province     | <a href="mailto:jikalahari@indo.net.id:secretariat@jikalahari.org">jikalahari@indo.net.id:secretariat@jikalahari.org</a> | Queisoner by email    | 11 June 2018    |          | ✓  |
| 9  | Sawit Watch   | Jakarta                      | <a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>   | Queisoner by email    | 11 June 2018    |          | ✓  |
| 10 | Walhi   | Jakarta                      | <a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>   | Queisoner by email    | 11 June 2018    |          | ✓  |
| 11 | Head of Serikat Pekerja Pertanian Perkebunan – Serikat Pekerja Seluruh Indonesia/ SPPP – SPSI (Ketua PC FSPPP – SPSI Kabupaten Siak)  | Kandis, Siak Regency         | -  | Interview             | 26 June 2018    | ✓        |    |
| 12 | PT Putra Paris Pusako, Civil Local Contractors  | Kandis, Siak Regency         | -  | Interview             | 26 June 2018    | ✓        |    |
| 13 | Gender Committee Head   | Kandis, Siak Regency         | -  | Interview             | 26 June 2018    | ✓        |    |
| 14 | Samsam Mill personnel:<br><ul style="list-style-type: none"> <li>• 3 workers family</li> <li>• 2 security</li> <li>• 1 weighbridge operator</li> <li>• 2 sorter and 1 foreman</li> <li>• 1 engine room operator</li> <li>• 1 press operator</li> <li>• 1 crane operator</li> <li>• 2 boilerman</li> <li>• 1 warehouse officer</li> <li>• 1 hazardous waste warehouse officer</li> </ul> | Kandis, Siak Regency         | -  | Interview             | 26 June 2018    | ✓        |    |

|    |   |                      |   |           |              |   |  |
|----|---|----------------------|---|-----------|--------------|---|--|
|    | <ul style="list-style-type: none"> <li>• 1 welder</li> <li>• 1 WTP operator</li> <li>• 2 WWTP operators</li> </ul>  |                      |   |           |              |   |  |
| 15 | Samsam Estate personnel: <ul style="list-style-type: none"> <li>• 2 workers of daycare</li> <li>• 5 workers family</li> <li>• 1 manuring foreman</li> <li>• 2 nursery workers</li> <li>• 1 harvester</li> <li>• 1 picker</li> <li>• 1 foreman of harvesting</li> <li>• 2 sparying workers</li> <li>• 1 warehouse officer</li> <li>• 1 hazardous waste warehouse officer</li> <li>• 1 welder</li> <li>• 1 doctor</li> <li>• 1 paramedic</li> </ul> | Kandis, Siak Regency | - | Interview | 28 June 2018 | ✓ |  |
| 16 | Palapa Estate Personnel: <ul style="list-style-type: none"> <li>• 1 manuring foreman</li> <li>• 2 harvester</li> <li>• 2 picker</li> <li>• 1 foreman of harvesting</li> <li>• 2 sparying workers</li> <li>• 1 warehouse officer</li> <li>• 1 hazardous waste warehouse officer</li> <li>• 1 welder</li> <li>• 1 foreman of LA</li> </ul>  | Kandis, Siak Regency | - | Interview | 29 June 2018 | ✓ |  |
| 17 | LBH Sakai   | Pekanbaru            | - | Interview | 4 July 2018  | ✓ |  |

**Appendix 2. Assessment Program**

| DATE                  |                 | 25-30 June 2018  |   |
|-----------------------|-----------------|--|---|
| Planned Time          | Actual Duration | PROCESSES / CLAUSES TO BE AUDITED  | AUDITOR   |
|                       |                 |  |   |
| Monday, June 25 2018  |                 |  |   |
| 06.00 - 08.00         | 06.00 - 08.00   | JAKARTA → PEKANBARU  | All Auditor   |
| 08.30 - 12.30         | 08.30 - 12.30   | PEKANBARU → PT. IVOMAS TUNGGAL   |   |
| 12.30 - 14.00         | 12.30 - 14.00   | Break  |   |
| 14.00 - 15.00         | 14.00 - 15.00   | Opening Meeting (Brief introduction, Audit scope confirmation, Standards use, Audit objectives, Audit sampling, and Audit Agenda Explanation)  | All Auditor   |
| 15.00 - 17.00         | 15.00 - 17.00   | Document Review : <ul style="list-style-type: none"><li>Review of Previous Visit Non-conformance</li><li>Collect Basic Information (Mill &amp; Estate)</li><li>Clarification of time bound plan</li><li>Review of Partial Certification</li><li>Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</li><li>Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare.</li><li>Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; Fire Control Facilities, Waste Management)</li><li>Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage.</li></ul> |   |
| Tuesday, June 26 2018 |                 |  |   |
| 08.00 - 12.00         | 08.00 - 12.00   | Stakeholder Consultation <ul style="list-style-type: none"><li>Stakeholder consultation to affected communities surrounding the plantations.</li><li>Stakeholder Consultation to related agencies in Siak Regency</li><li>Interview with Gender Committee, Worker's Union, Worker's Cooperative, Local Contractor (for Mill and Estate), Third Party Supplier</li></ul>  | <ul style="list-style-type: none"><li>ARD</li><li>SMM</li><li>HSS</li></ul> |
| 12.00 - 14.00         | 12.00 - 14.00   | Break  |   |



|                               |               |  |  |
|-------------------------------|---------------|--|--|
| 14.00 - 17.00                 | 14.00 - 17.00 | <b>Field observation to Samsam POM :</b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</li> <li>OHS &amp; Environment management (fire drill simulation, Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, WTP, WWTP)</li> <li>Employment procedures, workers welfare &amp; facilities (status, payment, gender, housing, clean water, &amp; etc)</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>ARD</b></li> <li>• <b>SMM</b></li> <li>• <b>HSS</b></li> </ul>   |
| <b>Thursday, June 28 2018</b> |               |  |  |
| 08.00 - 12.00                 | 08.00 - 12.00 | <b>Field observation to Samsam Estate:</b> <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) &amp; Implementation of Occupational Health &amp; Safety Aspect.</li> <li>Legal Operational boundaries, land ownership and Conservation/HCV</li> <li>Implementation of Environmental and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, landfill, land applications)</li> <li>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance).</li> <li>Worker welfare &amp; facilities (housing complex, health, clean water, etc),</li> </ul> | <ul style="list-style-type: none"> <li>• <b>HSS</b></li> <li>• <b>ARD</b></li> <li>• <b>SMM</b></li> <li>• <b>SMM</b></li> <li>• <b>SMM</b></li> <li>• <b>SMM</b></li> </ul> |
| 12.00 - 14.00                 | 12.00 - 14.00 | <b>Break</b>   | <b>All Auditor</b>   |
| 14.00 - 17.00                 | 14.00 - 17.00 | <b>Clarification of Field Observation &amp; Completing of Check List.</b>  | <b>All Auditor</b>   |
| <b>Friday, June 29 2018</b>   |               |  |  |
| 08.00 - 12.00                 | 08.00 - 12.00 | <b>Field observation to Palapa Estate</b> <ul style="list-style-type: none"> <li>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Fertilizer, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) &amp; Implementation of Occupational Health &amp; Safety Aspect.</li> <li>Legal Operational boundaries and land ownership</li> <li>Implementation of Environmental, Conservation/HCV and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, landfill)</li> <li>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance).</li> <li>Worker welfare &amp; facilities (housing complex, health, clean water, etc),</li> </ul>                     | <ul style="list-style-type: none"> <li>• <b>HSS</b></li> <li>• <b>ARD</b></li> <li>• <b>ARD</b></li> <li>• <b>SMM</b></li> <li>• <b>SMM</b></li> </ul>                       |
| 12.00 - 14.00                 | 12.00 - 14.00 | <b>Break</b>   | <b>All Auditor</b>   |
| 14.00 - 17.00                 | 14.00 - 17.00 | <b>Clarification of Field Observation &amp; Completing of Check List.</b>  | <b>All Auditor</b>   |
| <b>Saturday, June 30 2018</b> |               |  |  |
| 08.00 - 10.00                 | 08.00 - 10.00 | <b>Team Auditor Meeting (Preparation for Audit Conclusion).</b>  | <b>All Auditor</b>   |
| 10.00 - 12.00                 | 10.00 - 12.00 | <b>Closing Meeting</b>   | <b>All Auditor</b>   |
| 13.00 - 19.00                 | 13.00 - 19.00 | <b>Travelling from sites to Jakarta</b>  | <b>All Auditor</b>   |