

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

### **[ ✓ ] Surveillance**

Name of Management Organisation : **Turangie Palm Oil Mill – PT PP London Sumatra Indonesia, Tbk subsidiary of PT Salim Ivomas Pratama, Tbk**

Plantation Name : **PT PP London Sumatra Indonesia, Tbk: Turangie Estate, Pulau Rambung Estate and Bungara Estate**

Location : **Village of Bandar Telu, Sub District of Salapian, District of Langkat, Province of Sumatera Utara, Indonesia.**

Certificate Code : **MUTU-RSPO/049**

Date of Certificate Issue : **09 January 2015**

Date of License Issue : **23 January 2019**

Date of Certificate Expiry : **08 January 2020**

Date of License Expiry : **08 January 2020**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-4</b>	03 to 07 December 2018	M.Rinaldi (Lead Auditor), Rizliani Aprianita Hsb, Dwi Haryati, Affifuddin, Haikal Ramadhan Kharismansyah	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-4</b>	<b>31 December 2018</b>

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

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Figure 1. Location Map of PT PP London Sumatra Indonesia Tbk – Turangie Palm Oil Mill

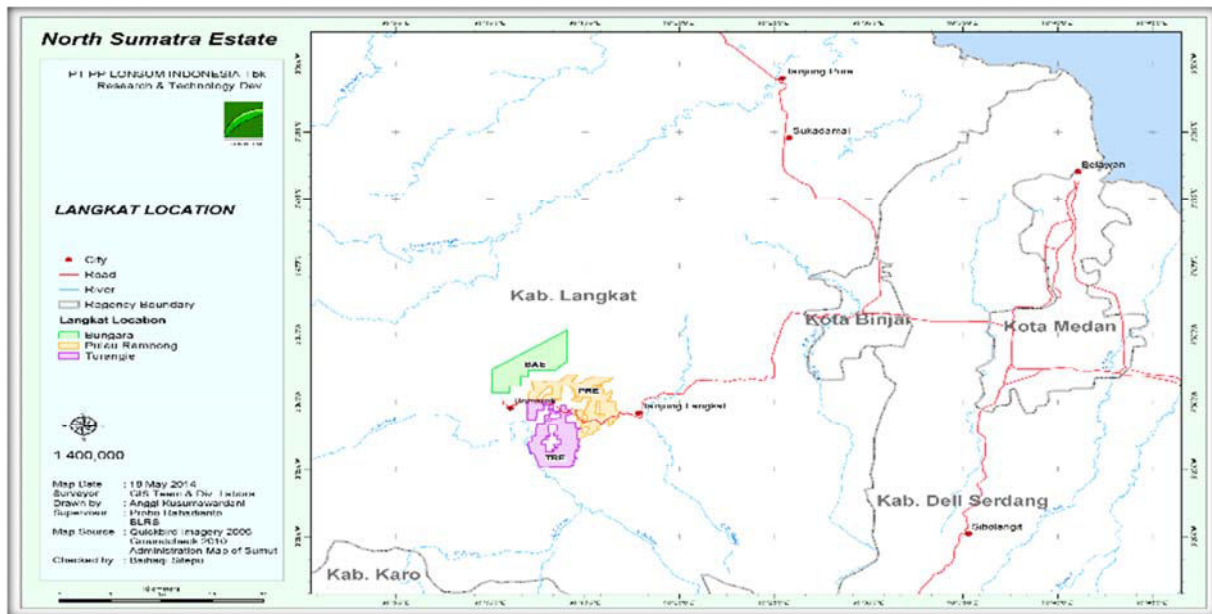


Figure 2. Operational Map of PT PP London Sumatra Indonesia Tbk – Pulau Rambung Estate

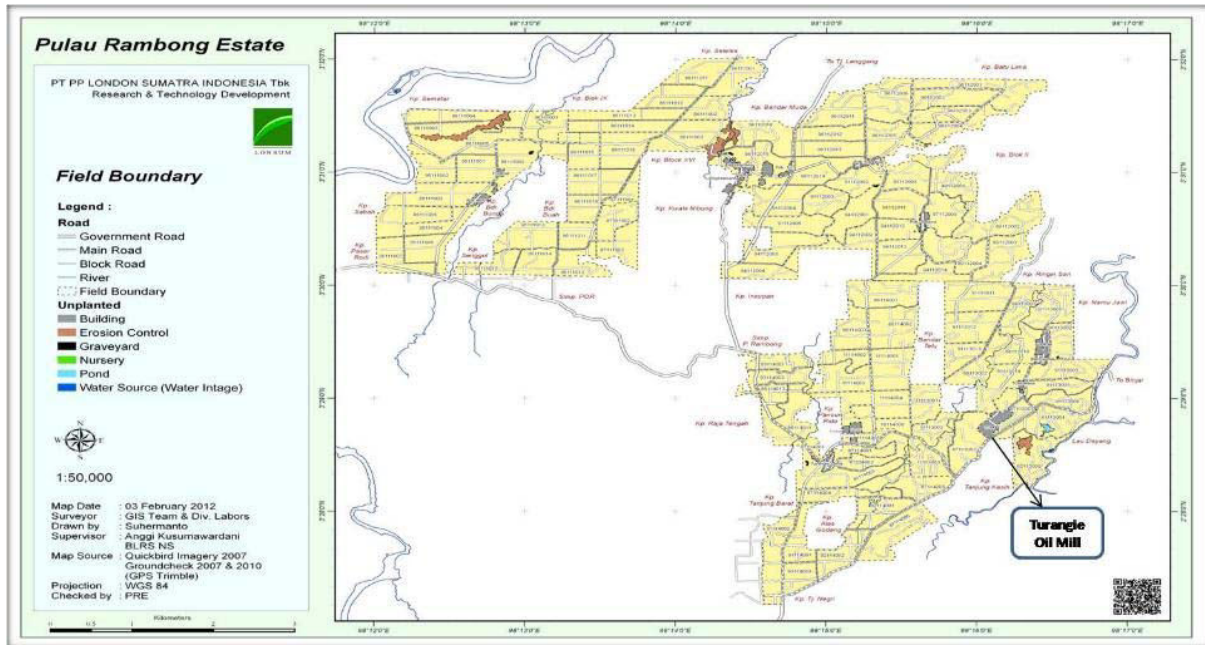


Figure 3. Operational Map of PT PP London Sumatra Indonesia Tbk – Turangie Estate

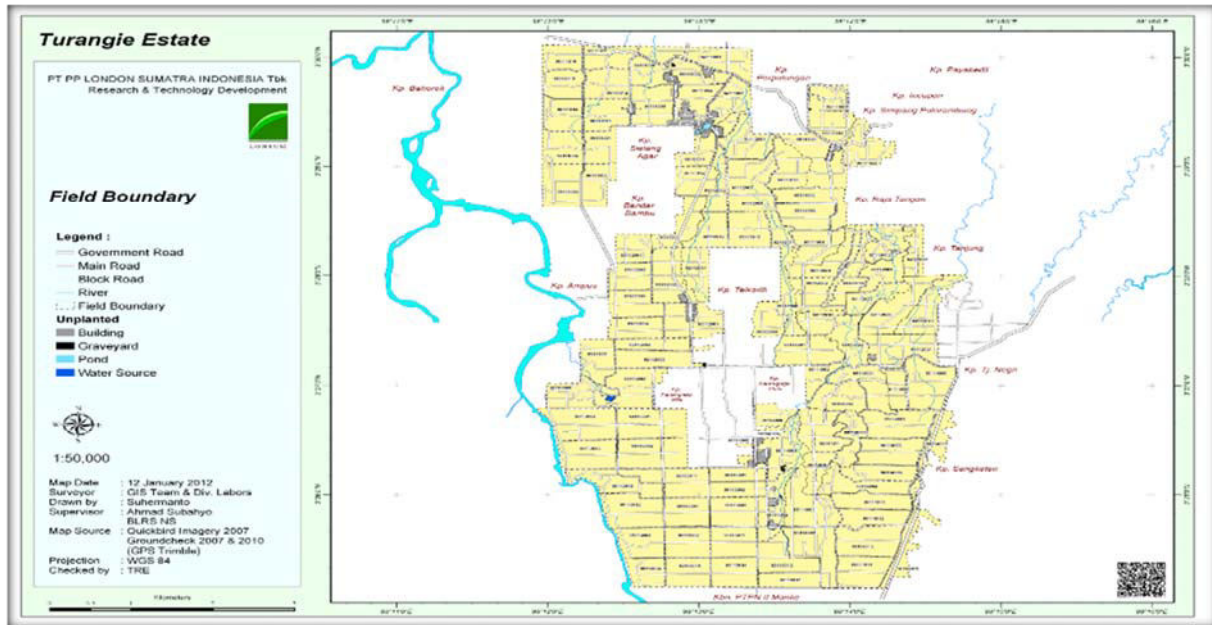
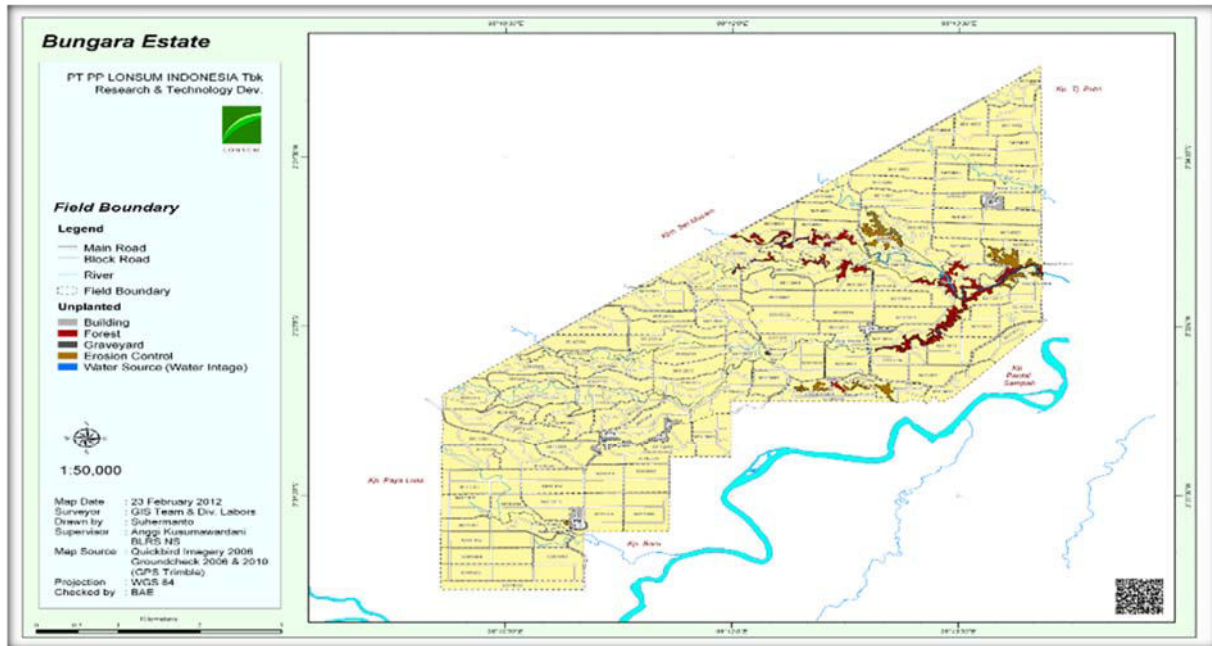


Figure 4. Operational Map of PT PP London Sumatra Indonesia Tbk – Bungara Estate



**Abbreviations Used**

AMA	: Area Manager Agronomy
AME	: Area Manager Engineering
ASA	: Annual Surveillance Assessment
ATR	: <i>Agraria dan Tata Ruang</i>
a.i	: Active Ingredients
BAE	: Bungara Estate
BPJN	: <i>Badan Pertanahan Nasional</i> (National Land agency)
BKS-PPS	: <i>Badan Kerjasama Perusahaan Perkebunan Sumatera</i> (Association of palm oil plantation company)
BLRS	: Bah Lias Research Station
BOB	: Barn Owl Box
BPJS	: Social Security Administration Bodies
BPJN	: <i>Badan Pertanahan Nasional</i> (National Land Agency)
CH	: Certificate Holder
CHE	: Cholinesterase
CITES	: The Convention on International Trade in Endangered Species
COC	: Code of Conduct
COC	: Chain of Custody
CPO	: Crude Palm Oil
CSR	: Corporate Social Responsibility
DRP	: Daily Rate Payment
ECSR	: Environment and Corporate Social Responsibility
EFB	: Empty Fruit Bunch
EIA	: Environmental Impact Assessment
EMS	: Environmental Management System
FFA	: Free Fatty Acid
FFB	: Fresh Fruit Bunch
FPIC	: Free Prior Informed and Consent
GAPKI	: <i>Gabungan Pengusaha Kelapa Sawit Indonesia</i> (Indonesian Palm Oil Association)
GHG	: Green House Gasses
GIS	: Geographic Information System
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha/ Land Use Tittle</i>
HRD	: Human Resources Department
HSE	: Health, Safety and Environment
IPM	: Integrated Pest Management
ILO	: International Labour Organization
IUCN	: International Union for Conservation of Nature
LCC	: Legume Cover Crop
LTI	: Lost Time Injury
KER	: Kernel Extraction Rate
LONSUM	: London Sumatra
NGO	: Non Government Organization



MOR	: Monthly Overview Report
MSDS	: Material Safety Data Sheet
MRP	: Monthly Rate Payment
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
P2K3	: <i>Panitia Pembina Keselamatan dan Kesehatan Kerja</i> /OHS Committee
PHL	: <i>Pekerja Harian Lepas</i> / Daily Workers
PIC	: Person In Charge
PLN	: <i>Perusahaan Listrik Negara</i> / State Electricity Company
PK	: Palm Kernel
P n D	: Pest and Disease
PKB	: <i>Perjanjian Kerja Bersama</i> / Collective Labor Agreement
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PPE	: Personal Protective Equipment
PRE	: Pulau Rambung Estate
RISPA	: Research Institute of The Sumatra Planters Association
RSPO	: Roundtable Sustainable Palm Oil
RTE	: Rare Threatened Endangered
RKL/RPL	: <i>Environmental Management and Monitoring Plan</i> )
SCCS	: Supply Chain Certification Standard
SEIA	: Social Environment Impact Assessment
SIA	: Social Impact Assessment
SOP	: Standard Operating Procedure
TOM	: Turangie Oil Mill
TRE	: Turangie Estate
WTP	: Water Treatment Plant
WWTP	: Waste Water Treatment Plant



1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>• Indonesian National Interpretation Principle and Criteria RSPO 2013 for Indonesia July 2016, approved by RSPO Governors 30 September 2016.</li><li>• 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)</li><li>• RSPO Certification System for Principles and Criteria, 14 June 2017</li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Turangie Palm Oil Mill – PT PP London Sumatra Indonesia, Tbk subsidiary of PT Salim Ivomas Pratama, Tbk	
1.2.2	Contact person	Muhammad Waras	
1.2.3	Organisation address and site address	RSPO Registered Company: Prudential Tower 15th Floor Jl. Jenderal Sudirman Kav. 79 Jakarta, Indonesia 12920	
1.2.4	Telephone	(061) – 4532300	
1.2.5	Fax	(061) – 4550421	
1.2.6	E-mail	<a href="mailto:Muhammad.Waras@londonsumatra.com">Muhammad.Waras@londonsumatra.com</a>	
1.2.7	Web page address	<a href="http://www.indofoodagri.com/">http://www.indofoodagri.com/</a>	
1.2.8	Management Representative who completed the application for certification	Muhammad Waras (Head of ECSR & HS Department)	
1.2.9	Registered as RSPO member	1-0041-07-000-00 – 24 September 2007	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Turangie Palm Oil Mill, Turangie Estate, Pulau Rambung Estate, Bungara Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill and Plantation		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			LatitudeLongitude
	Turangie	Village of Bandar Telu, Salapian Sub-District, Langkat District, Sumatera Utara	N 03° 28' 41”E 98° 16' 05”

		Province, Indonesia			
1.4.2	Location of Certification Scope of Supply Base				
	Name of Supply Base	Location	Coordinate		
			Latitude	Longitude	
	Turangie Estate	Viilage of Turangie, Bahorok Sub-District, Langkat District, Sumatera Utara Province, Indonesia	N 03° 29' 52"	E 98° 13' 04"	
	Pulau Rambung Estate	Village of Pulau Rambung and Bandar Telu, Salapian Sub-District, Langkat District, Sumatera Utara Province, Indonesia	N 03° 09' 27"	E 98° 14' 24"	
	Bungara Estate	Village of Bungara, Bahorok Sub-District, Langkat District, Sumatera Utara Province, Indonesia	N 03° 31' 57"	E 98° 11' 17"	
1.5	Description of Area Statement				
1.5.1	Tenure				
	• State		9032.40	Ha	
	• Community		-	Ha	
1.5.2	Area Statement				
	• Total area		9032.40	Ha	
	• Mature area		8055.97	Ha	
	• Mill		8.98	Ha	
	• Emplacement		113.25	Ha	
	• Infrastructure (Road, Bridge, Trench)		718.00	Ha	
	• Nursery		4.59	Ha	
	• River, Riparian, Bulking, Air strip		131.61	Ha	
	• HCV (Included in planted area)		195.25	Ha	
1.6	Planting Year and Cycles				
1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		Turangie	Pulau Rambung	Bungara	Total
	1985	174.75	-	-	174.75
	1986	121.78	422.21	-	543.99
	1987	57.39	265.53	93.40	416.32
	1988	23.08	212.55	-	235.63
	1989	51.31	143.84	150.66	345.81
	1990	-	-	153.23	153.23
	1991	19.75	464.80	192.84	677.39
	1992	220.01	81.41	365.85	667.27

	1993	376.03	39.24	182.39	597.66							
	1994	584.01	198.21	407.37	1189.59							
	1995	568.48	286.62	535.84	1390.94							
	1996	639.14	344.73	450.39	1434.26							
	1997	-	26.21	-	26.21							
	2010	-	18.19	-	18.19							
	2011	-	184.73	-	184.73							
	TOTAL	2835.73	2688.27	2531.97	8055.97							
1.6.2	New Planting area after January 2010		- Ha									
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle									
1.7	Description of Mill and Supply Base											
1.7.1	Description of Mill											
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel						
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)					
	Turangie POM	60	173550.5	39333.32	22.66	12432.65	7.16					
	*Production data source from December 2017 – November 2018											
1.7.2	Description of Certification Scope of Supply Base											
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ ha/year)	Supplied to Mill						
						FFB (tonnes/year)	%					
						Turangie	3156.45	2835.73	67144.33	23.68	67144.33	100
						Pulau Rambung	3098.47	2688.27	60826.26	22.63	60826.26	100
						Bungara	2777.48	2531.97	45579.94	18.00	45579.94	100
	TOTAL	9032.40	8055.97	173550.53	21.54	173550.53	100					
	*Production data source from December 2017 – November 2018											
1.7.3	FFB description from other source											
	Name of sources/Organisation (RSPO certified / non- certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill							
					FFB (tonnes/year)							
					-							
	TOTAL											
	*Turangie POM doesn't receive FFB from other source											
1.7.4	Product categories			FFB, CPO, PK								
1.8	Tonnage of Product											
1.8.1	Past Annual Claim Certified Product		Last Year Projected Certified Volume (MT)		Last Year Actual Certified Volume (MT)							
	• FFB Production		177222		173550.5							
	• CPO Production		42533		39333.32							

	• Palm Kernel (PK) Production		12728	12432.65				
1.8.2	Product selling							
	Tonnage of selling product		Last Year Period of Actual Selling Product					
	• CSPO sold as RSPO certified product		0					
	• CSPK sold as RSPO certified product		7050.00					
	• CSPO sold under other scheme		0					
	• CSPK sold under other scheme		0					
	• CSPO sold as conventional		37370.05					
	• CSPK sold as conventional		0					
1.8.3	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	Turangie	3156.45	2835.73	70501	24.86			
	Pulau Rambung	3098.47	2688.27	63867	23.76			
	Bungara	2777.48	2531.97	47858	18.90			
	TOTAL	9032.40	8055.97	182226	22.62			
	*Projected FFB production for 09 January 2019 to 08 January 2020							
1.8.4	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO	Palm Kernel	Supply Chain Module		
				Out put (tonnes)	Extraction (%)		Out put (tonnes)	Extraction (%)
	Turangie POM	60	182226	41000	22.5	12756	7	IP
	*Projected CSPO and CSPK production for 09 January 2019 to 08 January 2020							
1.9	Other Certifications							
	ISO 9001:2015		-					
	ISO 14001: 2015		-					
	ISO 45001:2018		-					
	ISCC		-					
	Others							
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Sungai Dua Factory (SDF)	2013	Sungai Dua Estate (SDF)	2013	(Riau) Rokan Hilir	Certified 2013		
			Sungai Rumbia Estate-1 (SRE-1)	2014	(Riau) Rokan Hilir	Certified 2014		
			Cibaliung Estate (CBE)	2014	(Riau) Rokan Hilir	Certified 2014		
	Balam Factory	2018	Balam Estate (BLE)	2018	Riau (Rokan Hilir)	Re-audit on 2017		

(BLF)		Sungai Rumbia Estate-2	2018	Riau (Rokan Hilir)	Re-audit on 2017
Kayangan (Factory)	2012	Kayangan Estate (KYE)	2012	Riau (Rokan Hilir)	Certified 2012
		Kecana Estate (KCE)	2012	Riau (Rokan Hilir)	Certified 2012
		Kayangan dan Kencana Estate (KCE)	2019	Riau (Rokan Hilir)	-
Sungai Bangko Factory (SBF) – PT Gunung Mas Raya	2014	Sungai Bangko Estate	2014	Riau (Rokan Hilir)	Certified 2014
		Teluk Pulau Estate	2019	Riau (Rokan Hilir)	-
Lubuk Raja Factory (LRF)	2017	Lubuk Raja Estate (LRE)	2017	Pelalawan, Riau	Certified 2017
		Bukit Raja Estate (BRE)	2017	Pelalawan, Riau	
Napal Factory (NNF)	2016	Napal Estate (NNE)	2016	Riau (Rokan Hilir)	Certified 2016
Muara Marang Factory (MMF)	2018	Muara Merang Estate (MRE)	2018	South Sumatra (Musi Bayu Asin)	LUCA and NPP process
		Mangsang Estate (MSE)	2018	South Sumatra (Musi Bayu Asin)	
		Karang Agung Estate (KAE)	2018	South Sumatra (Musi Bayu Asin)	
		Hulu Merang Estate (HME)	2018	South Sumatra (Musi Bayu Asin)	
PT Swadaya Bhakti Nagara	2019	Pulau Gading Estate (PGE)	2019	South Sumatra (Musi Bayu Asin)	LUCA process
		Medak Estate (MDE)	2019	South Sumatra (Musi Bayu Asin)	
PT Cangkul Bumi Subur	2019	Bumi Subur Estate (BSE)	2019	South Sumatra (Musi Bayu Asin)	
		Bukit Indah Estate (BIE)	2019	South Sumatra (Musi Bayu Asin)	
PT Intimegah Bestari Pertiwi	2019	Sungai Ampalung Estate (SAE)	2019	South Sumatra (Musi Bayu Asin)	-
		Megah Abadi Estate (MAE)	2019	South Sumatra (Musi Bayu Asin)	-
PT Pelangi Inti Pertiwi	2019	Mancang Estate (MCE)	2019	South Sumatra (Musi Bayu Asin)	
Kedukul Factory	2018	Kedukul Estate (KDE)	2018	West Kalimantan (Sanggau)	LUCA on process
		Kembayan Estate (KBE)	2019	West Kalimantan (Sanggau)	
Nanga Silat Factory	2019	Nangga Silat Estate (NSE)	2019	West Kalimantan (Sanggau)	LUCA on process

(NSF)		Kapuas Estate (KKE)	2019	West Kalimantan (Kapuas Hulu)	
PT Jake Sarana	-	Sekubang Estate (SKE)	2019	West Kalimantan (Sintang)	LUCA on process
PT Citra Kalbar Sarana	-	Sepaung Estate	2019	West Kalimantan (Sintang)	LUCA on process
PT Hijau Pertiwi Indah Plantation	-	Lupak Dalam Estate (LDE)	2019	Central Kalimantan (Kapuas)	LUCA on process
		Kuala Kapuas Estate	2019	Central Kalimantan (Kapuas)	
		Bunga Tanjung Estate (BTE)	2019	Central Kalimantan (Kapuas)	
Mariango Factory	2018	Mariango Estate (MGE)	2018	East Kalimantan (Pasir Utara)	LUCA on process
Ampanas Factory	2018	Ampanas Estate	2018	East Kalimantan (Kutai Timur)	LUCA on process
		Elang Estate	2018	East Kalimantan (Kutai Timur)	
Cipta Graha Factory	2018	Cipta Graha Estate (CGE)	2018	East Kalimantan (Kutai Timur)	LUCA on process
		Kerayaan Estate	2018	East Kalimantan (Kutai Timur)	ST 1 2016 LUCA on process
		Muara Bulan Estate	2018	East Kalimantan (Kutai Timur)	ST 1 2016 LUCA on process
		Baay Estate	2018	East Kalimantan (Kutai Timur)	LUCA on process
Bengkayang Factory	2019	Bengkayang Estate	2019	West Kalimantan (Bengkayang)	LUCA on process
Ampanas Factory	2018	Ampanas Estate	2018	East Kalimantan	ST-1 on 2016 (LUCA on Process)
		Elang Estate	2018	East Kalimantan	ST-1 on 2016 (LUCA on Process)
Turangie	2008	Turangie	2008	Langkat, North Sumatera	Certified
		Bungara	2008	Langkat, North Sumatera	Certified
		Pulo Rambong	2008	Langkat, North Sumatera	Certified
Begerpang	2008	Sungai Merah	2008	Deli Serdang, North Sumatera	Certified
		Begerpang	2008	Deli Serdang, North Sumatera	Certified
		Si Bulan	2008	Serdang Bedagai, North Sumatera	Certified
		Rambong Sialang	2008	Serdang Bedagai, North Sumatera	Certified

Dolok	2008	Dolok	2008	Batubara, Asahan, Simalungun, North Sumatera	Certified
		Bah Lias	2008	Simalungun, North Sumatera	Certified
		Bah Bulian	2008	Simalungun, North Sumatera	Certified
Gunung Melayu	2008	Gunung Melayu	2008	Asahan, North Sumatera	Certified
		Sei Rumbiya	2008	Labuhan Batu, North Sumatera	Certified
Gunung Bais	2019	Gunung Bais	2019	Musi Rawas, South Sumatera	-
Kencana Sari POM	2018	Arta Kencana	2018	Lahat, South Sumatera	ST-2 on 2017
		Kencana Sari	2018	Lahat, South Sumatera	ST-2 on 2017
		Kencana Sari (HGU on Process)	2020	Lahat, South Sumatera	-
Belani Elok	2014	Belani Elok	2014	Musi Rawas, South Sumatera	Certified
		Bukit Hijau	2014	Musi Rawas, South Sumatera	Certified
		Batu Cemerlang	2014	Musi Rawas, South Sumatera	Certified
		Ketapat Bening	2014	Musi Rawas, South Sumatera	Certified
		Sei Kepayang	2014	Musi Rawas, South Sumatera	Certified
		Process of Non-HGU as 4,468.45 Ha	2019	Musi Rawas, South Sumatera	-
Sei Lakitan	2019	Sei Lakitan	2019	Musi Rawas, South Sumatera	-
		Riam Indah	2019	Musi Rawas, South Sumatera	-
		Sei Gemang	2019	Musi Rawas, South Sumatera	-
		Sei Punjung	2020	Musi Banyuasin, South Sumatera	-
		Bangun Harjo	2020	Musi Banyuasin, South Sumatera	-
		Suka Bangun	2020	Musi Banyuasin, South Sumatera	-
Pahu Makmur	2018	Isuy Makmur	2018	West Kutai, East Kalimantan	Certified
		Pahu Makmur	2018	West Kutai, East Kalimantan	Certified
		Kedang Makmur	2018	West Kutai, East Kalimantan	Certified
Terawas Indah POM	2020	Terawas Indah Estate	2020	South Sumatera	-

Based on time bound plan that approve on December 2017 there is some mill and estate that postpone the certification process because the HGU still in process and the plant is still immature. Herewith the detail management unit that postpone the certification process:

1. Gunung Bais POM postpone the certification process from 2016 to 2019 because the unit management is still process the HGU
2. Arta Kencana POM postpone the certification process from 2016 to 2017 because the mill has just operate.



	<p>3. Sei Lakitan POM postpone the certification process from 2016 to 2019 because the unit management is still process the HGU.</p> <p>4. Terawas POM postpone the certification process from 2016 to 2020 because the unit management is still process the HGU the plant is still immature.</p> <p>Progress of Non-HGU as 4,468.45 Ha (Belani Elok) that's in process of HGU. Last update are:</p> <ul style="list-style-type: none"> <li>- Letter of response from the Director General of legal relations, directorate of regulation and stipulation of land and space for the Ministry of Agrarian and Spatial Planning No. Letter 2379/19.1-400.19/VI/2017 dated 14 June 2017 for the process of HGU covering an area of 1,782,4229 Ha</li> <li>- Letter of response from the Director General of legal relations, directorate of regulation and determination of land and space for the Ministry of Agrarian and Spatial Affairs No. Letter 2238/19.1-400.19/VI/2017 dated 6 June 2017 for the management of HGU covering an area of 688,3255 Ha</li> </ul>
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	Turangie POM doesnt have any scheme of Associated Smallholders or Outgrowers

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-4</b>	<p><b>1. Muhammad Rinaldi (Lead Auditor).</b> Indonesian citizen, Diploma of Oil Palm Plantation. He has experience 4 years working as Assistant Agronomy since 2007. He has attended training RSPO Lead Auditor, SCCS training, training of Auditor ISPO, training of Lead Auditor ISO 9001-2008, training of ISO 14000, SA 8000 training, training of HCV identification, training of OHS system management, training of potential and conflict resolution. Experienced in auditing in relevant scheme (ISPO) since 2014 with the aspects of land legality, environmental, social, occupational health and safety, Best Management Practices, Conservation and worker welfare. During the assessment he assigned to verify legal, land dispute and SCCS.</p> <p><b>2. Rizliani Aprianita Hsb (Auditor).</b> Indonesian Citizen. Bachelor and Magister of Agribusiness, Faculty of Agriculture. She had followed training such as RSPO Lead Auditor Training, SCCS training, SA 8000 training, lead Auditor ISO 9001:2008, ISO 14001:2004, ISPO Auditor training and followed several IHT related to environment, BMP etc. She has been involved in several audit activities related to sustainable palm oil certification since 2015 covering social aspect, health and safety aspect, worker welfare and waste management aspect. During the assessment she assigned to verified environmental management, GHG, and HCV</p> <p><b>3. Dwi Haryati (Auditor).</b> Indonesian citizens. Bachelor of Agriculture Department of Agriculture – Program study : Agronomy. She has experienced on Palm Oil Plantation as Sustainability staff. Training have been followed include: Training Auditor ISPO, SA 8000 training, Quality Management ISO 9001-2008, ISO 14001 Environmental Management, ISO 17021 &amp; 17065, HCV, General Health Safety Expert, Health Safety Management System, Workshop GHG by the ISPO Commission, IHT Palm Oil Mill Processing, Awareness RSPO, IHT Best Practice in Peat Management, Mapping Potential and Conflict Resolution in Production Forest. RSPO audit experience since March 2015 and ISPO since May 2014. During this assessment she was observed and audit on Transparency and Social Aspect.</p> <p><b>4. Haikal Ramadhan Kharismansyah (Auditor).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agro technology). He has 3 years experience as an Agronomy Staff in private oil palm plantation in Indonesia. Training which had attended including Basic Management Development Program Agronomy, Integrated Urban Pest Management, Integrated Pest Management, ISO 9001 : 2015, Auditor ISPO, RSPO awareness, ISO 22000 awareness, SA 8000, and RSPO Lead Auditor course. Did some audit ISPO and RSPO scheme with aspects Best management practices, OHS, worker welfare, and environmental management. During this audit, he assigned to best management practice and long-term plan.</p> <p><b>5. Afiffuddin (Auditor Trainee).</b> Indonesian citizen, Diploma III majoring Palm Oil Plantation, Bogor Agricultural University. Five years working experience since 2010 at Oil Palm Plantation Company in Indonesia as agronomy operational staff and followed several trainings namely: Basic Plantation Management Program, Auditor Training Indonesian Sustainable Palm Oil (ISPO), Training of RSPO lead auditor, OHS General Expert, OHS System Management based on PP 50 2012 and Management System Certification (ISO 9001-2015/SNI 19011-9001:2015) ISO 17021, ISO 17065, SA 8000 training. He has been involved in several audit activities related to sustainable palm oil certification since 2016 covering Best Management Practices aspect, health and safety aspect and worker welfare aspect. During this audit, He conducted an assessment on OHS and worker welfare supervise by Lead Auditor.</p>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-4</b>	<p>Number of auditors : 4 auditor and 1 auditor trainee</p> <p>Number of days for <b>ASA-4</b> at site : 5 days</p> <p>Number of working days for <b>ASA-4</b> at site : 20 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-4</b>	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PP London Sumatra Indonesia Tbk. subsidiary of PT Salim Ivomas Pratama Tbk. to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil – 30

	<p>September 2016 And Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on <b>on 21 November 2014 revised on 14 June 2017 (Module D for CPO Mill (Module D for CPO Mill).</b></p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ASA-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (Recertification).</p> <p>Improvement of findings from surveillance assessment findings were observed by auditors at this ASA-4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-4.</p> <p><b>The assessment program please find Appendix 2.</b></p>
2.2.3	<b>Locations of Assessment</b>
ASA-4	<p><b>Bungara Estate</b></p> <ul style="list-style-type: none"> <li>• <b>Block 94111004 Division 1 (Chemical spraying).</b> Interview with 3 workers related to spraying techniques, use of hazardous materials, safe technical work, hazardous waste management, PPE, extra fooding, health checks, wages, BPJS, grievance mechanism, women's work rights and workers' welfare facilities. Workers can explain aspects of working safely with pesticides and there are no complaints related to irritation, itching or shortness of breath during work.</li> <li>• <b>Block 92113004 Division 3 (harvesting).</b> Interviews with 3 workers related the standards of ripe fruit harvesting, harvesting techniques, harvesting bases, responsibility assignments, training, freedom of association, procedures, company policy, PPE, wages, and aspects of occupational safety and health.</li> <li>• <b>Block 95113014 division 3. Barn owl box observation.</b> Observation related occupation of barn owl box and the strategy of Integrated Pest Management.</li> <li>• <b>Field 95114001.</b> Observation of legal boundary conditions No NA1</li> <li>• <b>Field 95114002.</b> Observation of legal boundary conditions No NA2</li> <li>• <b>Field 96114024.</b> Observation related to HCV on slope area for erosion controlling</li> <li>• <b>Field 94114001.</b> Observation related to riparian zone of Batu Putih River</li> </ul> <p><b>Pulau Rambung Estate</b></p> <ul style="list-style-type: none"> <li>• <b>Field 96112001.</b> Observation of legal boundary conditions No 17 &amp; 18</li> <li>• <b>Field 96112006.</b> Observation of legal boundary conditions No 16.</li> <li>• <b>Field 91113011.</b> Observation of legal boundary conditions No 55</li> <li>• <b>Field 92113000.</b> Observation related to HCV on slope area for erosion controlling</li> <li>• <b>Field 11113003.</b> Observation related to riparian zone of Dobi River</li> <li>• <b>Block 89112003. Division II (Langkup).</b> Broad Leaf Weed Spraying. Observation and interviews with spraying worker related SOP Implementation and how to work safely with pesticides (3 female and 2 male)</li> <li>• <b>Block 95111001. Division I (Boyan).</b> Censuss and Ganoderma Control. Observation and interviews with observer officers and ganoderma control officers 4 workers)</li> <li>• <b>Block 912004. Division II (Langkup).</b> Compost Application. Observation on how to apply compost in the field. (1 worker)</li> <li>• <b>Block 881001. Division I (Boyan).</b> Woody Growth Control. Observation and interviews related work status, wages, and manual weeding control(7 worker)</li> <li>• <b>Chemical storage.</b> Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS.</li> <li>• <b>Mixing area and PPE storage.</b> Observation and interview regarding to implementation of OHS aspect, environment aspect and waste management aspect.</li> </ul>

- **Fuel Storage.** Observation related to implementation of OHS
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **Fertilizer storage.** Observation and interviews related to waste management and implementation OHS.
- **Generator room.** Observation and interview related OHS implementation, waste management and employment aspect.
- **Clinic.** Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.
- **Workshop.** Observation related to implementation OHS and waste handling.
- **Housing complex division 3 Bandar Telu.** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities
- **Landfill Div. II.** Field observations related waste management

#### Turangie Palm Oil Mill

- **Weighbridge Station.** Observation of supply chain procedure.
- **Security.** Observation related to the acceptance of FFB, CPO & PK Shipment and worker welfare.
- **Production Department.** Observation and interview with the production clerk related to the documentation of CPO and PK sales
- **Composting Station.** Observation and interview related composting materials
- **WWTP.** Observation and interview regarding work responsibilities and PPE
- **Land Application.** Observation related the application of palm oil mill effluent
- **Monitoring Wells.** Observation related its circumstances
- **Water Intake.** Observation on water source and flow meter
- **WTP.** Observations and interviews related to water management, recording of water use, health checks, PPE and waste management.
- **Workshop.** Observation and interviews related to the competence of workers, implementation OHS (including medical check up), employment, waste management and complaint mechanism.
- **Chemical storage.** Observation and interviews related to chemical and pesticide storage area, hazardous waste management, employment, and implementation OHS
- **Hazardous Waste Storage.** Observation and interviews related to hazardous waste management, OHS implementation, employment and complaint mechanism.
- **First Aid Post.** Observation and interview with paramedic about first aid mechanism, medical waste management and work accident record monitoring.
- **Loading Ramp Station.** Observations and interviews with officers sorting FFB. Based on the interview, the officer can explain the criteria FFB decent though, demonstrating how sorting FFB, employment aspect, OHS aspect and working procedures specified.
- **Sterilizer Station.** Observation and interviews with operator Sterilizer regarding employment aspect, OHS aspect and working procedures specified.
- **Clarification Station.** Observation and interviews with station operator clarification regarding employment aspect, OHS aspect and working procedures specified.
- **Boiler Station.** Observation and interviews with Boiler operator regarding employment aspect, OHS aspect and working procedures specified.
- **Engine Room Station.** Observation and interview related first aid box, periodic medical checkup, and understanding of worker related labour union.

#### Turangie Estate :

- **Emplacement.** Observation and interview related worker welfare, facilities, and domestic waste management
- **Chemical warehouse.** Observation and Interview regarding management and storage of chemicals. Understanding of emergency response condition
- **Temporary Hazardous Waste Shelter.** Observation and interview regarding infrastructure facilities, record of waste, and its management

	<ul style="list-style-type: none"> <li>• <b>Workshop.</b> Observation and interviews with operators regarding training and hazardous waste management</li> <li>• <b>Clinic.</b> Observation and interview related work accident monitoring, handling on medical waste and record of disease incidence</li> <li>• <b>Firefighter simulation.</b> Observation of preparedness of tools and personnel in the face of emergency response</li> <li>• <b>Landfill.</b> Observation regarding management of domestic waste</li> <li>• <b>Mixing Pesticides &amp; Rinse Houses.</b> Observation and interview with officers on how to handle pesticide contaminated items</li> <li>• <b>Field 96111003.</b> Observation of legal boundary conditions No. 48.</li> <li>• <b>Field 85112002.</b> Observation of legal boundary conditions No 47.</li> <li>• <b>Field 85864002.</b> Observation related to riparian zone of reservoir</li> <li>• <b>Field 94113004.</b> Observation related to riparian zone of Wampu river</li> <li>• <b>Block 941003. Division Pondok Kloneng. Weeding Manual.</b> Observation of manual weeding activities and interviews related to tasks and responsibilities (job description), work procedures, safe working practices, use of PPE, periodic health checks, remuneration system, Work Accident Insurance, provision of welfare facilities and infrastructure for workers.</li> <li>• <b>Field 89112010. Harvesting and FFB Transportation.</b> Observation of harvesting and interviews with harvesters, FFB loader and foreman associated with work such as the distribution harvesting plots, crop rotation, criteria and penalties harvest, the wage system tonnage, health insurance and labor protection, safe work practices and use of PPE.</li> </ul> <p><b>Stakeholder consultation with relevant agencies:</b></p> <ul style="list-style-type: none"> <li>• Plantation Agency of Langkat District</li> <li>• Labor Agency of Langkat District</li> <li>• Environmental Agency of Langkat District</li> <li>• National Land Agency of Langkat District</li> </ul> <p><b>Local communities surrounding the plantation visited to Village of Salapian, Village of Bungara and Village of Turangie</b></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>ASA-4</b>	<p>Consultation of stakeholders for PT PP London Sumatra Indonesia Tbk – Turangie POM Location was 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> on 16 November 2018.</li> <li>2. Consultation meeting and interview with government agencies in Langkat District (Plantation Agency; Labor agency, National Land Agency and Environment agency) on 04 December 2018</li> <li>3. Consultation meeting and interview with locals of the nearby village (Salapian Village, Bungara Village, and Turangie Village ) 04 December 2018</li> <li>4. Consultation meeting and interview with Internal Stakeholder (labour union, gender committee and worker cooperative) on 04 December 2018</li> <li>5. Consultation with NGO (Sawit Watch, Walhi, WWF, and AMAN) on 16 November 2018.</li> </ol> <p>Numbers of input from stakeholders were clarified by PT PP London Sumatra Indonesia Tbk – Turangie POM.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1</b>
<b>2.4</b>	<b>Determining Next Assessment</b>
<b>ASA-4</b>	The next visit (Recertification) will be determined eight to twelve month after date of license issued

### 3.0. ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Turangie Oil Mill – PT PP London Sumatra Indonesia Tbk. subsidiary of PT Salim Ivomas Pratama Tbk. operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there was one (1) Nonconformity were assigned against Minor Compliance Indicators and four (4) opportunities for improvement were identified. Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Turangie Oil Mill – PT PP London Sumatra Indonesia Tbk complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil – 30 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 on 14 June 2017 (Module D for CPO Mill)

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is continued.

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>Company has SOP Response of stakeholders contained in SOP Communication No.EMS-P05, revised 01, date August 25, 2016. This procedure describes the communication of stakeholders. Access to information is done by submitting a letter of information requests and then will be addressed by the company (PIC) in accordance with the terms/aspects of information that has been requested.</p> <p>The Company's stakeholders list informing statutory bodies, Indigenous people, local communities, workers organizations, local NGO's, contact name, contact number and address. Based on interviews with the management, it was known that the documents list of stakeholders updated if there were changes.</p> <p>The company was documented all of incoming and outgoing letter from another party. Based on document verification of incoming letter and the respond by the company accordance with the procedure.</p> <p>Based on interviews with stakeholders, for example workers, villages, the agency stated that they could access communication with the company through various means, for example during meetings with companies or directly to designated personal (public relations).</p> <p>The company has listed a list of documents available to the public. List of documents that can be provided in accordance with the Procedure of Communication No. EMS-P05. In the procedure, there is a list of the information type that can be accessed by relevant stakeholders. The available documents to public are available in unit management office so that stakeholders will be able to access easily in accordance with established procedures.</p> <p>However, based on document review and interviews with the agency, it can be seen that the management unit has not been able to show evidence of providing information regarding the use of <i>HGU</i> to the local BPN in accordance with Ministerial Regulation ATR No. 07 of 2017. <b>Nonconformity No.2018.01</b></p>	



### 1.1.2

The company has a communication no. EMS-P05 revision dated August 25, 2016 which regulates the procedures for communicating between internal / external stakeholders and the company.

In the procedure also informs that to access information from the company can be received in various ways in various places in the organization. For example, communication can be verbal or received by mail, fax or e-mail. The response deadline for information requests is 14 working days after the request is received.

The company has an incoming mailing document recorded in the logbook. In the logbook there is information about the date, name, address, needs, signs, hours of arrival, hours of departure and position. The company also has a record of outgoing letters containing information on Month, Date, no. letter, destination and contents of the letter. Based on the study of incoming and outgoing log book letter documents, most requests for information are in the form of letters of request for assistance and invitation. The company continues to respond with the approval of the head of the unit in the form of signatures and instructions to proceed to the next stage. Following are some summary examples of request lists and responses to requests for information from stakeholders:

Recording of information requests for Pulau Rambung Estate from January to November 2018, there are records of requests and responses from stakeholders, there are 92 letters, all of which contain borrowing tools and requests for assistance. For example:

Letter no. 210/SP/PI/XI/2018 dated 16 November 2018 from Pancur Ido village. Letter regarding requests for heavy equipment assistance. The letter was responded to on November 17, 2018 with assistance.

Letter No.145-39SPR/IX/2018 dated September 27, 2018 from the village of Sp Pulo Rambung regarding requests for clean water assistance. The letter was responded to on the same date as clean water was provided.

Ensure the provision of information in the form of Notification of water use as a basis for payment of natural resource concession tax to the relevant agency and ensure recording of the date of receipt of SKPD (Regional Tax Assessment Letter) payment of water retribution. (OFI)

Minor 1.1.1	Status: Nonconformity No.2018.01 with minor category
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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 listed a list of documents available to the public. List of documents that can be provided in accordance with the Procedure of Communication No. EMS-P05. In the procedure, there is a list of the information type that can be accessed by public. The available documents to public are available in unit management office so that stakeholders will be able to access easily in accordance with established procedures.

The types of documents or information that can be accessed include legal information (such as location permits, IUP, HGU), environmental information (environmental policies, environmental management documents, RKL/RPL reports, evaluation of aspects and environmental impacts, permits for utilization of mill wastes, hazardous waste storage permits) social information (documents on social activities and relations with the community, OSH policies and programs, and continuous improvement (reduction in chemical use, utilization of waste and environmental & social impacts) .The document is kept by the Environment Manager for five years.

Status: Comply
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### 1.3

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

#### 1.3.1

Company has a policy of standard business of conduct that explains fair business practices, prohibition of corruption, bribery, fraud in the use of funds and resources as well as the disclosure of information in accordance with prevailing regulations. The company has Good Corporate Governance document which was authorized by the President Director of Indo Agri on January 20<sup>th</sup> 2005. The document describes how business practices are fair to self, fellow workers, to customers, to shareholders, business partners to government and society. In addition, the document also explains that workers are prohibited from offering and engaging in bribery and corruption practices and abiding by all applicable laws



and regulations. The policy is available in Bahasa. The policy is communicated to workers in accordance with the results of interviews with them. Based on interview with local contractor, it is known that company has been disseminated the policy of standard business of conduct.

The Company has shown socialization related to Code of Ethics on February 2, 2018. Based on the result of document verification, it is known that the socialization is available in Bahasa Indonesia.

**Status: Comply**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

**2.1**

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

Certificate holder consistently applies legislation relating to plantation and palm oil mill. The last update of laws and regulations list was conducted on May, 2018. The Certification Unit has shown compliance with laws and regulations, for example:

Copies of applicable legal requirements are stored in soft copy in EMS databases that are accessible from time to time by all staff. The company has applied the regulations, the auditor has recorded the evidence of compliance with the regulations on all aspects, for example:

**Legality**

The company has comply with legality regulation, for example has have:

- Decree of the Head of the National Land Agency No. 56/HGU/BPN/1997 dated 30 June 1997 concerning Provision of Extension of HGU and Land Certificate No. 2 of 1997 dated September 23, 1997 wit total area of 9,032.40 Ha with validity period until 31 December 2023
- Plantation business permit in the form of Letter of Plantation Business Registration (SPUP) with number:
  - Decision letter Number 197/Mentanhut/VII/2000 on 03 November 2000 with total area of 2,777.48 Ha
  - Decision letter Number 171/Mentanhut/VII/2000 on 03 November 2000 with total area of 1,673.60 Ha
  - Decision letter Number HK.350/194/Bun.5/III/2001 on 16 March 2001 with total area of 3,445.32 Ha and Palm Oil Mill capacity of 60 ton FFB /hour
  - Decision letter Number HK.350/189/Bun.5/194/Bun.5/III/2001 on 16 March 2001 with total area 1,136 Ha

**Environment**

CH has Environmental Impact Assessment (EIA) No. RC 220/699/13/IV/94 in accordance with regulation which has been approved on 18 April 1994 with a production capacity of 45 tons of oil palm FFB / hour. The potential impacts that must be managed and monitored are: Erosion, Water Pollution by liquid waste, Pests and Plant Diseases, Social Conflicts, and Available Employment.

Based on information in ASA-2 and ASA-3, there was revision process of EIA since 2015. Interview with Environmental Agency staff of Langkat Regency at the time of public consultation stated that there was a discourse of the addition of company activity which has been communicated with Environmental Agency, but the company has not made an application for environmental document addendum attaching the draft document. However, based on the explanation of previous audit, it was known that the company has sent a letter in December 2015 to Environmental Agency of Langkat Regency regarding the request for discussion and recommendation/ Endorsement of EIA (DELH) PT PP London Sumatera Indonesia Tbk, Turangie POM. In this letter it is stated that the company has submits the EIA (DELH) which has been prepared by the consultant.

In the surveillance-4 audit, the company has been delivered the DELH draft of PT PP London Sumatra Indonesia Tbk, shown through Letter no. 037-Mdn / ECSR / I / IV / 2018 dated 9 April 2018 and received by the Environment Agency of Langkat Regency on 9 April 2018. And until the audit in December 2018, there was no response or progress from the Environment Agency.

The results of a public consultation with the Environment Agency of Langkat Regency, said that the company already had environmental documents. The progress of the environmental document approval (addendum) is still in process.

**OHS**

Evidence of compliance with relevant legal requirements related to aspects of OHS and employment, including the provision of employee PPE, Quarter III Guiding Committee Of Occupational Safety & Health Report 2018, license of heavy equipment operator, license of First Aid officer at work place, Steam Boiler Operator license, license certificate of factory machinery (including inspection and testing), Welder license, Electrical Technician, certification of Hiperkes Doctor Company and Paramedic and training on how to work safely, periodic health checks and application of minimum wages according to regulations

### Best Management Practices

The company has been able to demonstrate compliance with the regulations on the Best Agricultural Practices aspects such as using pesticides that are registered, permitted, and the validity period is still recognized by the pesticide committee. It can be verified through the [pestisida.id](http://pestisida.id) site in the Directorate General of facilities and infrastructure of the Indonesian Ministry of Agriculture

OFI

- Payment of Levy in accordance with Permit for Exploitation of Water Resources
- Ensure the progress of renewal of Permit for Exploitation of Water Resources

### 2.1.2; 2.1.3 and 2.1.4

To ensure compliance to regulations, company has SOP Legal Requirements (EMS-P02 dated April 10, 2014) that describes the person responsible for managing the legal documents is the Company Secretary / Legal Department.

This document explaining who have responsibility to update the regulation and law, identification and inventory, evaluation and monitoring 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 May 2018. Monitored of compliance with applicable regulations is done through internal audit and external audit of RSPO, ISPO and OSH management system. Based on the last evaluation there are 227 regulations and 102 OSH regulations (in separate documents).

Copies of applicable legal requirements are stored in soft copy on the EMS data base which can be accessed at any time by all staff.

The company shows the Compliance Evaluation of Regulations document which was evaluated on February 20, 2018 and has been updated as many as 221 types of regulations. Some rules have been updated for example: *Peraturan Menteri Agraria No 7 tahun 2017*; *PP no 37 / 2012 tentang pengelolaan daerah aliran sungai*; *permenaker no 33 tahun 2015* and some other regulations have been adjusted, such as the stipulation of the Langkat Regency 2018 minimum wage (*SK Gubernur Sumut No.188.44/642/KPTS/2017*) and the increase in wages of private sector BKSPPS workers in North Sumatra Province in 2018 (*Dok. BKS-PPS No.13/BKS-PPS/2018*). Based on the explanation above, nonconformity No.2017.01 is stated to be fulfilled

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

There is no change of document of land use legalities of PT PP London Sumatra Indonesia, Tbk - Turangie POM, consist of :

- Decree of the Head of the National Land Agency No. 56/HGU/BPN/1997 dated 30 June 1997 concerning Provision of Extension of HGU and Land Certificate No. 2 of 1997 dated September 23, 1997 with total area of 9,032.40 Ha with validity period until 31 December 2023
- Plantation business permit in the form of Letter of Plantation Business Registration (SPUP) with number:

- Decision letter Number 197/Mentanhut/VII/2000 on 03 November 2000 with total area of 2,777.48 Ha
- Decision letter Number 171/Mentanhut/VII/2000 on 03 November 2000 with total area of 1,673.60 Ha
- Decision letter Number HK.350/194/Bun.5/III/2001 on 16 March 2001 with total area of 3,445.32 Ha and Palm Oil Mill capacity of 60 ton FFB /hour
- Decision letter Number HK.350/189/Bun.5/194/Bun.5/III/2001 on 16 March 2001 with total area 1,136 Ha.

The total area that manage by CH is 9,032.40 Ha and has been comply with the legality document.

## 2.2.2

There are no changes to the SOP for boundary maintenance listed in OP 2.1 The HGU - Preparation, Survey and Mapping, published in September 2006. In clause 4.8 it is stated that the boundaries pole of the HGU that have been determined based on the BPN team survey must be made, installed, monitored, maintained its existence and its position at least once a year.

Based on field observation at Pulau Rambung Estate on boundary pole number 16,17;18, 49 and 55, at Bungara Estate on Boundary Pole number NA1 and NA2; at Turangie Estate on boundary pole number 47 and 48, it is known that the pole in the good condition, well maintained and the position has been accordance with the coordinate.

## 2.2.3, 2.2.4, 2.2.5, 2.2.6

There were no changes in procedures related to resolving land conflicts listed in the SOP on land conflict resolution described in the SOP (OP 2.2) Land Acquisition and Compensation dated December 2012.

Based on interviews with village representatives, Agencies and field visits in operational areas, it was known that there were no land disputes in the operational area of PT PP London Sumatra Tbk Langkat Group (Turangie Estate, Pulau Rambung Estate and Bungara Estate).

**Status: Comply**

## 2.3

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

### 2.3.1, 2.3.2, 2.3.3, 2.3.4

The company has been operating since 1906, with rubber commodities. Based on the results of public consultations with village community leaders and the BPN of Langkat Regency, it was known that there were no customary rights or legal rights from other landowners.

In addition, the Company Establishment Deed No. 93 dated December 18, 1962 and Additional Official Minutes of the Republic of Indonesia No. 81 dated October 8, 1963, it is known that PT. PP London Sumatra Indonesia has acquired concession land from 12 plantation companies in the colonial era including the area from the POM Supply Base.

**Status: Comply**

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

### 3.1

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

#### 3.1.1 & 3.1.2

There is a forward study document 2018 - 2023 on Turangie POM; Pulau Rambung Estate, Turangie Estate, and Bungara Estate. The plan contains information about the area statement, seed quality, production projections, costs, and financial indicators. For example, in 2023 Turangie Estate targets FFB production of 49,778 tons with an income of 13,885 (in million). Meanwhile, for Turangie POM in 2023 targets net income of 47,854 (in million). The Long-Term Plan is evaluated every year through the annual budget preparation program. The realization of the target achievement from the current

year is one of the reasons for the next year's drafting of budgets.

The company also shows the replanting plan as follows

Estate	Plan (Ha)				
	2019	2020	2021	2022	2023
TRE	-	92.53	102.79	101.21	80.47
PRE	156.33	-	42.17	883.27	138.54
BAE	136.00	110.65	119.38	126.60	97.50

The replanting is planned to start in 2019 starting with Pulau Rambung Estate. The plan will be evaluated every year after the activity is realized to determine the implementation of replanting in the coming year.

**Status: Comply**

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

##### **4.1**

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

###### **4.1.1**

Certificate Holder show SOP that are used both for Estate and Mill and also about CSPO Supply Chain. SOPs are made in bahasa and are stored well in each estate office and mill. The procedure shown includes all operational activities and is still relevant to use.

Based on field visit to block 89112003 Division II (Langkup) Pulau Rambung Estate when broadleaf weed spray activities are known, workers have been able to explain how to handle and manage pesticides from mixing materials, applying to the field and cleaning process at rinse house. Based on interview with WWTP officer known workers can explain well about PPE that must be used, work time, and his job responsibilities

###### **4.1.2 & 4.1.3**

Supervision is carried out in stages starting from the foreman, coordinator foreman, field assistant, head assistant, and estate manager in accordance with their respective authorities. In addition, there is an Operational Internal Audit that is carried out at least 1 year.

The company has a PICA procedure (Problem Identification and Corrective Action) to identify and resolve any discrepancies found in the internal audit. Based on interview with management representatives are known for any nonconformities that arise during the internal audit, auditee is given 2 weeks to provide a response. Furthermore, the improvement progress is carried out periodically with a maximum limit of 6 months

Records of measurement and monitoring results by the internal audit team can be seen in the internal audit report. In addition, in the monthly garden and factory reports (MOR - Monthly Overview Report) there are also internal inspection results by the supervision team. The examination results shown include:

##### **Turangie Estate (July 2018)**

Division	Sampling (trees)	Pruning			Circle & Path Spraying			Manual weeding			Flag
		Good	Fair	Poor	Good	Fair	Poor	Good	Fair	Poor	
P.Kloneng I	1239	767	378	94	584	604	51	1011	139	89	Yellow
P.Lalu II	875	796	70	9	594	223	58	782	93	0	Green
Sei Wampu III	1174	869	138	167	743	431	0	1104	70	0	Green
Namutongan IV	1113	801	205	107	1033	80	0	955	158	0	Green

##### **Turangie POM**

Station	Problem Identification	Improvement	Status
Pressing	Calculation of factory capacity has not been carried out in an actual manner	Perform calculations according to the log sheet	done
Clarification	Operator Clarification working hours are more than 1 hour after stop milling so that overtime is not in accordance with work	<ul style="list-style-type: none"> <li>Dilute the layer oil in the clarifier 2 hours before stopping so that the oil has been pumped after 1 hour stop milling</li> <li>Maximize the use of the sludge centrifuge so that all sludge is processed in 1 hour</li> </ul>	done

**4.1.4**

Based on the document review and field visit to Turangie POM it was found that the company didn't receive FFB from third parties or small holder. The Turangie POM supply base only come from main estate namely Turangie, Pulau Rambung, and Bungara

<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; 4.2.2; 4.2.3 & 4.2.4**

The SOP in managing soil fertility is found in the OP Fertilizer Management document 5.5.1 - OP 5.5.5. Verification and monitoring of SOP implementation can be seen in the Monthly Overview Report (MOR) document which is always routinely made and presented to management. The October 2018 MOR in the fertilization section includes the following:

- Pulau Rambung Estate: Achievement of fertilization for all types of fertilizers (Urea, RP, MOP, dolomite) has more than 90%.
- Bungara Estate: Achievement of fertilization for all types of fertilizers (Rp. Kieserite, Super Dolomite, Dolomite) has more than 95%

Fertilization records including programs, realization, and application dosage references can be seen in the MOR document. In the MOR period of October 2018, among others, informs the realization of fertilization as follows:

**Pulau Rambung (Jan – Oct 2018)**

Type of Fertilizer	Program (Ton)	Actual (Ton)	Ton/TBS
Urea	718	717	0.014
RP	556	539	0.010
KCL/MOP	364	354	0.006
Dolomit	107	107	0.002

\*FFB production Jan – Oct 2018 51,026.33 Ton

**Bungara (Jan – Oct 2018)**

Jenis Pupuk	Program (Ton)	Actual (Ton)	Ton/TBS
Rp	599,31	526,81	0.014
Kieserite	776,86	797,87	0.021
Super Dolomit	469,15	579,77	0.015
Dolomit	163,72	155,91	0.004

\*FFB production Jan – Oct 2018 37,549.47 Ton

In November 2018 all fertilization activities for all estates were completed. The company has also carried out leaf analysis activities (the last time it was carried out in 2018) and soil analysis (Last conducted in 2015) as one of the parameters used as a reference in the preparation of fertilizer recommendations. The implementation and duration of LSU and SSU is in accordance with the procedure.

Based on field observation to block 912004 Langkup Division known besides doing an organic fertilization there is also an application of organic fertilization in the form of compost. Compost is applied to interrow and between the oil palm with doses 200 – 300 kg / oil palm. Field visit to Turangie Lama Division and block 92 known there is flat bed and wells to monitored liquid waste application. The liquid waste application is only carried out if there is residual liquid waste after the composting process. Organic fertilization takes precedence with the composting method

**Empty Fruit Bunch (January – September 2018)**

Description	Unit	Total
Production	Ton	25,877.08
Composting	Ton	24,191.72
Application to the field	Ton	16,865.36

**Palm Oil Liquid Waste (January – September 2018)**

Composting	m <sup>3</sup>	101,109
Application to the field	m <sup>3</sup>	105,734

**Status: Comply**

**4.3**
**Practices minimize and control erosion and degradation of soils.**
**4.3.1 & 4.3.2**

Management strategies for planting on slopes are explained in several procedures as follows:

- SOP OP 5.10 High Conservation Value. This includes discussing border management and erosion-prone areas
- SOP OP 5.4.3 about Frond Placement on Slope and Terrace.
- SOP for land management/conservation when replanting. About sediment traps in the slope area > 15% and > 45%

Based on field visit to Bungara Estate, it was found that in the corrugated area the company applied a water catchment system and planted vertiver grass. While in block 95114002, it is seen that there is a terrace for planting on sloping land. Besides that, as part of soil conservation and soft fern water (*nephrolepis*), it is allowed to grow on dead glands and terrace walls. Furthermore, the midrib is arranged on the lip of the terrace, thus inhibiting erosion rate.

Information about the type of soil and slopes found in the company's operational area is explained in several maps as follows:

- Maps of Land types of Turangie, Bungara and Pulau Rambung Estate with a scale of 1: 50,000 that were made by the research and technology development department in 2006 and 2008
- Topographic maps and slope maps of Turangie, Bungara and Pulau Rambung Estate with a scale of 1: 50,000, which were compiled by the GIS team

From the information contained on the map, most of the company's management areas are included in flat to undulating. There is a small area with a hilly (hilly) category so a terrace is made.

**4.3.3**

The company has a road maintenance program that is supported by resources. Information obtained from the BAE and PRE Estate Manager shows that for each estate there is one road grader unit, one Vibro Compactor unit, and one TLB unit for mechanical road repairs.

The program and realization of road maintenance include:

**PRE**

	Program (Meter)	Realization (Meter)
Main Road	105,144	65,833
Collection Road	355,272	183,879
Rock Stone	390 m <sup>3</sup>	390 m <sup>3</sup>

**BAE**



From January to November, 16,664 meters of road maintenance was realized including CR, MR and boundaries. The road maintenance program planned for 27,899 meters

Based on field observation during the audit activities for example in harvesting, spraying, manuring, HCV, and housing facilities. In general the road conditions in each estate are still in good condition and can be easily passed by the vehicle. In Block 881001 Boyan Division (PRE), there was a work on making a water rope by TLB and manually hoarding spots.

#### 4.3.4 & 4.3.5

Based on the Soil survey map carried out in 2006, there was no identification of peat soil in the operational area of the company. The identified lands are Yellow *Podsolis*, Yellow Red *Podsolis*, Brown *Podsolis* Red, Yellow Brown *Podsolis*, and Alluvial.

#### 4.3.6

Based on the slope map and the BAE, PRE, and TRE soil type maps, it is known that most operational areas fall into the flat to undulating category with mineral and alluvial soil types. There is no marginal area in the operational area of the company. However, in a small part of the planting area such as Blok 9511004 BAE there is a slope planting area so that a terrace is made as part of soil and water conservation.

**Status: Comply**

### 4.4

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

##### 4.4.1 ; 4.4.2

CH has a water management plan and has been implemented. This has been verified through document verification and field visits, such as:

- Periodically testing surface water quality
- Marking the boundaries of riparian and water sources
- Do not apply for chemicals or fertilization in the riparian area
- Carrying out a record of water flow used for factory and domestic process activities.
- Enriching plants in the riparian
- Testing the quality of clean water.

The company has routinely monitored surface water quality carried out every 6 months. Example results of monitoring surface water quality for the semester 1 of 2018 are as follows :

Parameter	unit	Threshold	Upstream of Butek river	Downstream of Butek river	Factory rainwater channel
TSS	mg/l	50	26	32	29
pH	-	6-9	6.70	6.67	6.58
BOD 5 day 20 'C	mg/l	3	2.1	2.4	2.0
COD with $Kr_2Cr_2O_7$	mg/l	25	16.42	18.71	16.06
DO	mg/l	Min 4	7.24	7.04	7.10
NH <sub>3</sub> N	mg/l	-	< 0.05	0.17	< 0.05
N-Total	mg/l	-	1.81	2.71	1.64
Oil and fat	mg/l	1	< 0.16	< 0.16	< 0.16

Threshold: Government Regulation No. 82 year 2001 class II.

Based on the data above, there are no parameters that exceed the threshold.

The company has also tested several quality of surface water for 22 rivers. And based on the results of the test, there are no test results that exceed the thresholds. The test results of surface water was contained in the RKL-RPL report semester 1 year 2018.

CH already has SOP of riparian management (OP.5.13) which explained the management actions on the riparian area are not to spray with chemicals in the area around the riparian. Giving a sign in the form of red or white paint on the palm



oil tree as a sign of the Chemist and manual treatment limit.

The results of field visits, for example at the riparian of the Wampu river, are known that CH has carried out riparian management, such as: providing a border limit of 50m with red paint on palm oil tree, there is also a HCV plank / signboard. The condition around the river riparian is an area planted with the 1994 planting year. Based on observations it is known that there is no indication of the application of chemicals in the area that has been designated as a riparian. Basic maintenance is carried out with manual maintenance without chemist or fertilization. The border side of the river is left to shrub. There are also a ban signboard on hunting and spraying.

#### 4.4.3

CH (Turangie POM) utilizes waste water as a liquid fertilizer (Land Application) and has obtained a Permit from the Langkat Regent through a Regent Decree Number: 660.03-07 / K / 2013 concerning the permit for the utilization of waste water to land dated June 21, 2013 with a period of valid for 5 years from the date of stipulation. CH shows the minutes of the Technical Verification of Permit Extension of Waste Water Utilization on Land for mill activities and PT London Sumatera oil palm plantations that have been carried out by Environment Agency of Langkat Regency on April 18, 2018. However, until the audit conducted, the Land Application permit had not been issued. The results of the interview with the Environment Agency of Langkat Regency, said that the Land Application permit was still in the process of being extended. Based on the results of testing the quality of liquid waste for the period January-September 2018 conducted by Sucofindo, it is known that there is no result of testing the quality of liquid waste that exceeds the thresholds.

The results of field observations in the WWTP and Land Applications in field 103002 Bandar Telu Estate, it was found that there was no runoff of wastewater to the environment.

#### 4.4.4

Water usage monitoring was done periodically and recorded, for example on November 2018 FFB processed 14,202 mt, water usage for process, cleaning and boiler 1.34m<sup>3</sup>/ton FFB from budget 2 m<sup>3</sup> water/ton FFB. Observations on Turangie POM water treatment plant found monitoring water usage was done by officer periodically, and flow meters serves normally.

Status: Comply

### 4.5

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

#### 4.5.1

The IPM plan is listed in the Annual Work Plan which is detailed into the Monthly Work Plan and Daily Work Plan. Based on the document of observing pests and diseases, it is known that the potential for attacks originates from *ganoderma*, rats, and Palm leaf-eater caterpillars

In principle, the application of IPM is expected to minimize the use of pesticides. Even if there is use of pesticides, it refers to the results of the census and the results are indeed above the control threshold. Pesticides are not used prophylactically. The decision to use pesticides is always based on the results of the pest census (EWS)

The trend of chemicals with reduced use is the bait of rat with active ingredients *brodifacoum*. Based on data on pesticide use for the period 2016 - 2018 there is no use of these chemicals. While Paraquat can no longer be applied and was last used in the 2015 period.

Records of pest and control events during the period January - November 2018 state that the pest causing damage is *Ganoderma* which causes 1,334 fallen oil palm in TRE; 8,560 oil palm in PRE, and 471 oil palm in BAE. While for other pests such as rats and attack level Palm Leaf Eating Caterpillar in the three estates, the attack results are still below the control threshold. As part of biological control, the company planted a beneficial plant and installed Barn Owl Nest Box.

Based on field observation to block 95111001 at the time of census and control of *ganoderma* it was known that officers had been able to explain well about the census method. While the control of the subject attacked by *ganoderma* is done by dismantle the subject and then make a hole and sprinkle with *trichoderma*.

#### 4.5.2

To improve the competence of workers involved in the integrated pest control process, one of the efforts made by the

company is to conduct training related to integrated pest control. Records of training conducted in 2018 include:

- The Pest and Disease *Ganoderma* SP Training on September 27, 2018 was attended by 22 participants who were representatives of TRE, BAE, and PRE. The training was held at the Turangie Estate Big Office and the material providers were PT PP LONSUM P & D staff
- Census training and control of mice on 10 June 2018 followed by 10 officers and IPM coordinators
- The beneficial plant training on April 16, 2018 was attended by 15 representatives from BAE, PRE, and TRE

Based on interviews with the Pulau Rambung IPM Coordinator the officer has been able to explain the stages of observing pests starting from detection, followed by the census then evaluating the results of the census. If the census results show a number above the threshold, then control with chemicals will be carried out. However, if the census results are still below the control threshold, routine observations will be carried out.

**Status: Comply**

#### 4.6

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

##### 4.6.1

The procedure for handling pesticides shown is SOP Oil Palm Procedures in OP 5.2.2 Guide for the safe use of Agrochemicals which includes:

- Level of poisoning.
- Safe storage for prevention.
- Mixing (making) solutions and spraying.
- First aid.
- PPE

In the SOP it has been explained about the storage area that must have a concrete floor. Liquid pesticide containers must be stored in a spill "bund", Bund capacity must be the same as the maximum container volume plus 10%. Then the water from the washing / rinsing results must be channeled into the "catchment flow" ditch or absorption. The trenches are 10 m long, 1 m deep and 0.5 m wide filled with stones.

Selective use of products is explained in SOP OP 5.1.3 concerning control of Pests and Plant Diseases. For example glyphosate and *Methyl Metsulfuron* for weeds and *Brodifacoum* or *Coumatetralyl* for rodent control. Based on field observation to the Division II block (Langkup) Pulau Rambung Estate are known spray work is in accordance with the procedures they had. It starts with the spray signs, mixing pesticides in the mixing tank, selective weed spray according to the active ingredients used, and the use of the recommended dosage

Based on the list of pesticide usage and the results of field visits to the pesticide storage warehouse and verification to the pestisida.id site owned by the director general of agricultural facilities and infrastructures, the pesticides used are still valid and in accordance with regulations.

##### 4.6.2

The program and the realization of the application of pesticides are contained in the Monthly Operational Review made every month by the Estate Manager as a summary of monthly plantation activities and the achievement of each plan up to the current month.

#### **Turangie Estate (January – November 2018)**

Trademark	a.i	Application (Liter)	Application (Ha)	a.i usage	a.i/Ha
Elang 480 SL	Glyphosate	865.53	1,885.50	415.45	0.22
Metsulindo 20 WP	Methyl Metsulfuron	144.82	1,988.05	28.96	0.15
Lindomin 865SL	2,4 D methilamina	220.00	1,762.00	190.30	0.108

**Pulau Rambong (January – November 2018)**

Trademark	a.i	Application (Liter)	Application (Ha)	a.i usage	a.i/Ha
Elang 480 SL	Glyphosate	808.51	1,729.67	388.08	0.224
Metsulindo 20 WP	Methyl	85.66	1,674.21	17.13	0.010
	Metsulfuron				
Garlon 670 EC	Triclophyr	28.66	188.14	18.76	0.100
Lindomin 865SL	2,4 D	270.13	1,947.90	233.66	0.120
	methilamina				
Benlox	Benomil	0.75	4.59	0.53	0.114

**Bungara (January – November 2018)**

Trademark	a.i	Application (Liter)	Application (Ha)	a.i usage	a.i/Ha
Elang 480 SL	Glyphosate	954.55	1,807.66	458.18	0.253
Metsulindo 20 WP	Methyl	16.20	246.50	3.24	0.013
	Metsulfuron				
Lindomin 865 SL	Triclophyr	228.97	1,844.14	198.06	0.107

Information about LD 50 is found on the MSDS of each product. While the rotation of spraying in one year is attempted to be carried out in 3 rotations.

**4.6.3**

An integrated pest control plan is listed in the Monthly Overview Report that is made every month. The implementation of IPM includes implementing the EWS system, biological control, and only applying pesticides if the census results show the level of attack above the control threshold

The use of chemicals for pest control has been minimized, for example during the period 2016 - 2018 there were no longer any application of rat poisons or poisons for palm leaf-eating caterpillar. Pesticides are applied more to weed control.

**4.6.4**

Based on the results of a study of pesticide use documents for the past 1 year, field observations to chemical storage warehouses and interviews with herbicide applicators, it is known that there is no use of pesticides (WHO groups 1A and 1B) and paraquat.

**4.6.5 & 4.6.7**

The certificate holder shows the Data Base Training 2018 document, which includes explaining that plans and training records are available for workers handling pesticides, for example the "Safe and Effective Weed Control and Herbicide Use Training" at the Turangie Estate on January 9, 2018 with trainers from Research & Development which was attended by 38 participants consisting of Turangie Estate, Bungara Estate and Pulau Rambong Estate workers.

Based on the results of interviews with herbicide applicators who are being transferred to the weeding manual work at Turangie Estate, it is known that they are able to demonstrate an understanding of the dangers and risks associated with chemicals used such as workers having to spray in the direction of the wind, using the complete PPE provided in the form of helmets, goggles, masks, long sleeves, trousers, aprons, rubber gloves and boots. If the PPE is damaged, it can be exchanged through the foreman. In addition, they also explained that health checks had been carried out routinely, not to use ex-pesticide packaging other than their designation and not to apply pesticides on the banks of rivers and ditches.

Pesticide operators bring their food to the field and put it in their own bag. Operators and pesticide materials are transported by different vehicles so that there is no contact between food ingredients and pesticides

**4.6.6 & 4.6.10**

CH has a procedure for handling pesticide waste contained in the Environment Management document EMS-WI-7 Working Instruction guide to safe use of Pesticides dated August 2009. The procedure describes:

- Level of poisoning
- Safe storage
- Mixing and spraying
- Destruction of pesticide waste
- First aid
- Shield clothing

In the document, at the point of Pesticide Waste Extermination, it was explained that after being collected and recorded, pesticide wastes were sent to licensed third parties for final handling.

Pesticides have been stored in accordance with the best practices recognized, among others: pesticides are stored in a special place / warehouse and are not mixed with other goods, pesticides are arranged according to their types and characteristics, arranged using shelves, MSDS, PPE, and there are also emergency response such as first aid box and Light Fire Extinguisher. In addition, there is a special place for mixing pesticides / chemicals and washing PPE that has a special channel to a container so that the rinse water or in the event of a pesticide spill, does not flow to the environment. Interview with chemical warehouse officer, said that pesticide packaging waste will be sent to Hazardous Waste warehouse to be sent and transported by licensed transporters.

The results of interviews with workers, namely warehouse officer and hazardous waste officer, were conveyed that officers knew the hazardous waste management mechanism. They also have trained for hazardous management training. All hazardous waste is placed in the hazardous waste warehouse and then transported by licensed transporters and hazardous waste collectors. Based on field visit in the plantation office, mill office and housing complex known that no ex pesticides or hazardous material containers used for household purposes.

#### **4.6.8**

Based on interview with spraying workers, foreman, field assistant, and estate manager and by the document review It is known that the company has never applied for pesticides by air. In addition, the results of field visits to workshops and chemical storage warehouses were not determined by infrastructure to apply airborne pesticides

#### **4.6.9**

Information regarding the handling of pesticides includes the product MSDS and the company pesticide management. In addition there are regular socialization, for example in formal muster morning or training such as:

- Safe and Effective Weed Control and Herbicide Control Training held on 9 January 2018. Training is delivered directly by the Research and Development Department, located in Turangie estate with the number of participants combined from other estates (Turangie POM supplier's estate scope) namely: 304 from the estate.
- Minutes of meetings Bungara Estate Pesticide Handling Information on September 11, 2017 at the division office. The material presented was the negative impact of the use of pesticides not in accordance with the rules. 11 workers.

The results of interviews with the spraying team Bungara Estate spray have understood to explain safe practices both for themselves and the surrounding environment.

#### **4.6.11**

The certificate holder shows the document of the Health Check Minutes for 2018 period conducted on October 1-2, 2018 in collaboration with the *Klinik Spesialis Anugerah Ibu*. Examination includes cholinesterase examination on 1 - 2 October 2018. The results of cholinesterase in serum blood as follows:

- In Bungara Estate, it is known from 33 pesticide operators, all of which are stated in good health.
- In Turangie Estate, it is known from 52 pesticide operators, all of which are stated in good health.
- In Pulau Rambung Estate, known from 47 workers examined, all declared in good health / normal.

Based on the results of interviews with herbicide applicators at Turangie Estate, stated by the worker that so far there are no health complaints such as itching and allergies when doing herbicide application.

#### **4.6.12**

The certificate holder commits not to employ female laborers who are pregnant and breast-feeding in direct contact with chemicals in accordance with the letter number 49a / BA / INT / VII / 2009 dated 3 August 2009 concerning the prohibition on breastfeeding pregnant and lactating mothers. In addition, there is also a system to identify pregnant and lactating mothers is done by routine examination once a month conducted by the foreman and the clinic as well as checking menstruation leave. Based on the results of field observations and interviews with workers, was not found and is known at this time there are no workers who are pregnant or breastfeeding both in Turangie Estate and Bungara Estate. Women workers have learned the mechanisms for identifying pregnant and lactating mothers belonging to companies.

Status: Comply

#### 4.7

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

##### 4.7.1

The certificate holder shows the Board of Directors Decree No. 001 / DIR / IX / 2014 document issued by the President Director of PT PP Lonsum Indonesia Tbk dated 12 September 2014 regarding sustainable management policy guidelines, including explaining compliance with legal requirements relating to OHS and preventing accidents and occupational illness.

Based on the results of interviews with employees regarding the OHS policy, a simple understanding of workers is that the company provides PPE and requires the use of PPE on each job and routine health checks every year. The socialization was delivered, among others, through signposts in each division.

The certificate holder has prepared an OHS program, eq Bungara Estate shows the document of OHS Management System Implementation Work Program in 2018 which includes the monthly the guiding committee of occupational safety & health meeting program, documentation of occupational health & safety management system, implementation (training, HIRARC, inspection of emergency response equipment and others).

##### 4.7.2

The certificate holder has a hazard source identification document, risk assessment and control for estates and mill for the period 2018. Documents are prepared by the team of certificate holders by identifying potential hazards and risks, then proceed to assess the level of risk and risk control until the risk is tolerated. If an accident occurs in the field, it will be considered in risk control to prevent future accidents.

Based on the results of field observations in chemical warehouses and toxic mixing sites there are MSDS that are placed as a guide in handling chemicals.

Based on interviews with spraying workers, it is also known that the foreman in the field understands the procedures in work accident cases and instructions in the MSDS for each product that has been applied to employees.

##### 4.7.3

The certificate holder has document number P-02 dated December 3, 2013 which explains that PPE is free of charge to workers and can be replaced if damaged. The results of field observations in mill and estates as well as interviews with workers, it is known that certificate holders have provided PPE and have been provided with safe work practice training. The certificate holder shows proof of the handover of PPE, for example to hand over PPE at the Turangie Estate harvest activity on November 27, 2018 which is a corset for 6 harvesters. In addition, all workers involved in operational activities have been trained in safe work practices, for example:

- Training "Safely and Effectively Weed Control and Herbicide Use" at the Turangie Estate on January 9, 2018 with trainers from Research & Development which was attended by 38 participants consisting of Turangie Estate, Bungara Estate and Pulau Rambong Estate workers.
- Training & Dissemination of Work Procedures under the *Perusahaan Listrik Negara* Electricity Line at Pulau Rambong Estate on March 21, 2018 with trainers from the Head Office HR & OHS Unit attended by 18 participants consisting of managers to harvesters.

Based on the results of field visits related to the PPE used by workers, it is known that the PPE used is in accordance with the hazard identification and risk analysis determined by the certificate holder. For example, based on the results of field observations at the Turangie Estate in harvesting activities, it is known that the certificate holder has provided PPE to harvesters in the form of helmets, goggles, cloth gloves, corsets and boots and the PPE is in accordance with the results of hazard identification and risk analysis.



#### 4.7.4

The certificate holder has established the Guiding Committee of Occupational Health & Safety which prepares and is responsible for the implementation of occupational safety and health programs and evaluates the implementation of the Occupational Safety and Health program in the field. Guiding Committee of Occupational Health & Safety also conducts regular monthly meetings discussing the implementation of the OHS program, such as the Guiding Committee of Occupational Health & Safety meeting at Turangie Estate on October 5, 2018, attended by certificate holder representatives and workers representatives and discussed the progress of the realization of the work program and its evaluation for the evaluation team, supervision team, research team, response team and program for October 2018. Based on the interview with the foreman as well as the member of the union committee, it is known that the person is aware of the Guiding Committee of Occupational Health & Safety and following the Guiding Committee of Occupational Health & Safety meeting.

#### 4.7.5

The certificate holder has emergency handling procedures (work accidents and near misses), document numbers P-12, and emergency procedures, and document number P-10. In addition, certificate holders also have certified first aid officers and have been trained to foreman with first aid boxes.

Based on interviews with the foreman and manual weeding and harvesting workers at Turangie Estate, it is known that workers have known emergency response procedures, for example in an emergency in housing, must gather at the gathering point and in work accident cases the foreman must do first aid using a first aid kit provided.

#### 4.7.6

Based on the results of the document review, it is known that contract workers included the Workers Social Security Agency Employment program for 3 guarantees namely Occupational accident insurance, Pension Insurance and Death Insurance. Based on the results of interviews with workers in Turangie Estate, Turangie Oil Mill, Bungara Estate and Pulau Rambung Estate, it was found that workers were registered with the Workers Social Security Agency Health and Employment program. This is also evidenced in the document on labor contribution details.

Based on interviews with management representatives (HSE Medan Office) explained that for medical help workers who had an accident were referred directly to the Trauma Center Hospital which is a partner of Workers Social Security Agency Employment. For example, an accident that occurred on August 7, 2018 at the Turangie Estate, can be shown an investigation report that describes employee curriculum vitae, chronology, injury/illness, property damage, other incidents, equipment involved, type of injury, injured body part, type accident contact with, unsafe actions, unsafe conditions, personal factors, work factors and action plans (conclusion of the results of investigations, proposed corrective actions, recommendations). The stage 1 and stage 2 reports in 2 x 24 hours to the Workers Social Security Agency Employee have been carried out by the company and medical assistance is carried out in collaboration with the Trauma Center Hospital (has collaborated with Workers Social Security Agency). There are no fees charged to employees for the accident, the cost claim to Workers Social Security Agency has been carried out directly by the hospital.

Evidence that the insurance policy is still valid, for example in Turangie Estate based on the results of interviews and document studies, it is known that the certificate holder shows proof of Workers Social Security Agency Employment contributions, for example November 15, 2018 pays contributions for the period October 2018 through bank account for 451 permanent employees .

#### 4.7.7

The certificate holder has monitored workplace accidents for the 2018 period to September and analyzed the time lost by accident. The certificate holder also shows the Accident Report Recapitulation document, for example in the Turangie Estate for the period September 2018, it is known that there were 2 accidents, including harvest workers who suffered minor injuries due to left foot affected by palm spines due to haste in doing work which caused the loss of 2 working days . The certificate holder has investigated the accident. Work accidents are considered in assessing risks to prevent future accidents.

<b>Status: Comply</b>
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#### 4.8

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

**4.8.1; 4.8.2**

The company has a base training data document in 2018 which explains the program and realization of training for all Lonsum areas. In the document, it explains the training title, date of implementation, implementation, and place of implementation and training participants. Some 2018 training programs related to aspects of the RSPO Principles and criteria include: Induction Training for Mill Assistant Trainee, SAP Training Module, Weed Control and Safe and Effective Use of Herbicides, Sustainable Palm Oil Insight 2018, Facilitator for Continuous Improvement, Criteria Socialization Program Evaluation Rating of the Company in Environmental Management, Production Census and Main Census, Problem Solving & Decision Maker, Refresher Course Palm Oil Mil, waste Management and Toxic Hazardous Waste (LB3), General OSH Expert, Role and duties of the Gender Committee, Refresher course SMK3, Implementation and Internal Audit of SMK3 & Environment 14001, OHSAS & New ISO 45001- 2018.

The company has had employees training record, the record is available in the form of minutes, training attendance, and documentation in the form of photographs. In interview with the management, it is know that the training activity has been annually programmed for the employees that is done to maintain and improve employee's competency in accordance with their work.

Based on interviews with pesticide operator and harvest workers in Bungara, it was explained that at the beginning of the admission to work, they received training related to technical work. In addition, workers can demonstrate working techniques in accordance with applicable procedures.

Interviews with workers in estate and mill, they stated that they received training in accordance with their field of work and evaluated to see its effectiveness. Refresher training with the same theme is carried out every year and summarized in the base training data document.

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

CH has Environmental Impact Assessment (EIA) No. RC 220/699/13/IV/94 in accordance with regulation which has been approved on 18 April 1994 with a production capacity of 45 tons of oil palm FFB / hour. The potential impacts that must be managed and monitored are: Erosion, Water Pollution by liquid waste, Pests and Plant Diseases, Social Conflicts, and Available Employment.

Based on information in ASA-2 and ASA-3, there was revision process of EIA since 2015. Interview with Environmental Agency staff of Langkat Regency at the time of public consultation stated that there was a discourse of the addition of company activity which has been communicated with Environmental Agency, but the company has not made an application for environmental document addendum attaching the draft document. However, based on the explanation of previous audit, it was known that the company has sent a letter in December 2015 to Environmental Agency of Langkat Regency regarding the request for discussion and recommendation/ Endorsement of EIA (DELH) PT PP London Sumatera Indonesia Tbk, Turangie POM. In this letter it is stated that the company has submits the EIA (DELH) which has been prepared by the consultant.

In the surveillance-4 audit, the company has been delivered the DELH draft of PT PP London Sumatra Indonesia Tbk, shown through Letter no. 037-Mdn / ECSR / I / IV / 2018 dated 9 April 2018 and received by the Environment Agency of Langkat Regency on 9 April 2018. And until the audit in December 2018, there was no response or progress from the Environment Agency.

The results of a public consultation with the Environment Agency of Langkat Regency, said that the company already had environmental documents. The progress of the environmental document approval (addendum) is still in process.

**5.1.2 & 5.1.3**

Based on the RKL-RPL Implementation Report document that is submitted every semester, for example the report on the implementation of RKL-RPL in semester 1 of 2018, the company has carried out management and monitoring activities



in accordance with the management and monitoring plan matrix (still the same as the previous assessment). The aspects include:

- Solid waste
- Liquid waste
- Areas prone to erosion and soil conservation
- Conservation areas and protected species
- Water flow area
- Pests and diseases
- Emissions and work environment
- Hazardous waste
- CSR and employment opportunities

The results of field visits and document verification, known that CH has carried out environmental management activities, such as:

- Management of wastewater by using a WWTP pond before being applied to the land. Liquid waste is also used for EFB composting processes.
- Management of EFB with composting systems and applied to the field.
- Management of shells and fiber to be used as boiler fuel.
- Management of hazardous waste stored in hazardous waste warehouse to be sent to licensed hazardous waste collectors.
- Management of river borders by not applying chemicals in the riparian area, enriching plants around the riparian, allowing the river side of the river to be in scrub conditions, installing a ban signboard on hunting, spraying and cutting down trees.
- Making contour terraces, maintaining ground cover plants in areas with a slope of 15°-45°.

Based on document verification and stakeholder interviews, known that CH has carried out environmental monitoring activities such as periodic testing:

- Testing of surface water (river) quality
- Air quality testing (emissions and ambient)
- Testing of noise, odor and vibration
- Testing the quality of liquid waste
- Etc.

And based on the tests conducted, there are no results that are exceed the thresholds.

CH has submitted reporting 1st half (RKL and RPL) year 2018 to the Environment Agency of Langkat Regency on November 29, 2018 (estate) and on August 28, 2018 (POM).

<b>Status: Comply</b>
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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

Same as the previous assessment, CH has conduct identification of HCV on 2014 based on the Toolkit Identification of High Conservation Values in Indonesia. Identified types of HCV are HCV 4 and HCV 6, no identified RTE species in accordance with IUCN, 3 species is protected by Indonesian law and 2 species is Appendix II of CITES. The total HCV area based on HCV identification included Turangie (44.99 ha), P. Rambung (42.552 ha), and Bungara (86.454 ha) with a total area of 173,996 ha. While the HCV area set by the company is 194.9 ha.

#### 5.2.2 ; 5.2.3 ;5.2.4

Based on document verification and the results of field visits, known that the company has carried out HCV management, for example:

- Giving a limit on the application of chemicals in the river border area and springs in the form of red paint on oil palm tree.
- Do not carry out spray activities or application of chemicals in the area which has been designated as the border of rivers and springs.
- River border that has been planted with palm oil tree are carried out manually maintenance and side of rivers and springs are left in natural conditions.
- Conduct enrichment in the form of planting tree and carried out treatment of Vetiver plants in Dua River.
- Installing a ban signboard of spraying and cutting down trees in HCV areas.
- Etc.

CH has been conducting a periodically monitoring every month for HCV areas, species monitoring, and wild hunting by HCV officer. For example, monitoring carried out in the Turangie Division on November 2018. In the monitoring record, was conveyed the condition of the HCV area. At the time of the monitoring there were also several wildlife such as *kera*, *burung jalak*, *burung balam*, *burung hantu*, *burung kacer*, *burung cerocok*, *burung elang*, *musang*, *ular*, *biawak* etc.

CH has a policy to protect HCV contained in the EMS-P16 HCV Management and Monitoring Environmental Management System Procedure on June 2, 2011. The document states that one of the policies to protect HCV is to increase security from partial or total encroachment by outside parties.

CH showed a record of socialization of HCV protection, such as:

- Socialization of flora and fauna at the HCV location of Pulau Rambung Estate to the workers that was carried out on August 21, 2018 attended by 15 participants.
- Socialization of HCV to the community for Pulau Rambung Estate on April 17 2018 was attended by 28 participants.
- Socialization of the conservation area on 27 and 29 November 2018 Division II was attended by 167 participants
- Socialization of the conservation area on November 26, 2018 was attended by 3 participants (the village of Suka Rakyat and the village of Perkebunan Bungara)

The results of interviews with workers such as the spray and harvest team, known that workers that they already understood about the ban of chemical application in riparian area, ban of hunting protected species and cutting trees. Field visit to housing complex found that there is no indication of protected species are captured, harmed and collected. CH has conducted Management Review related to environmental aspects including HCV as contained in the Environment Management Review Document conducted on September 13, 2018. The management review explained the risks managed, corrective actions and improvement progress.

#### 5.2.5

Results of the verification documents, field visits and interviews with communities obtained information there is no set-aside areas of HCV.

Status: Comply

#### 5.3

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

#### 5.3.1 ; 5.3.3

CH has a list of wastes produced and contained in the RKL-RPL Report, as follows: used oil, used filter, rags, used batteries, pesticide container, plastic, organic waste, inorganic waste, fiber, shell, EFB, POME, etc.

Based on field observation, interview and document verification, known that the company has managed waste generated such as:

- Domestic waste is collect in housing complex and sent to landfill area every 2 times a week.
- Shell and fiber is used for boiler fuel
- EFB is collect in mill area and used as material for compost
- Waste water is used for land application
- Hazardous waste sent to license hazardous collector/transporter.

Based on field visit and interview with stakeholder, known that there was no issue of waste management of PT PP

LONSUM.

### 5.3.2

In terms of hazardous waste management, the Company cooperates with third party that has license for collect or transport hazardous waste from authorized agency, as follows PT Amindy Barokah Sumut, PT Karisma Jaya Mandiri, PT Non Ferindo Utama, PT Tenang Jaya Sejahtera, PT Muhtomas, and PT Wastec International. CH has shown documents for handling hazardous waste in the form of a logbook, balance sheet and manifest of hazardous waste transported on July, 2018.

CH also has provided licensed storage for hazardous waste in each management unit of estate and mill. The results of interviews with workers, namely chemical warehouse officer and hazardous waste officer, were conveyed that officers knew the hazardous waste management mechanism. They also have trained for hazardous management training. All hazardous waste is placed in the hazardous waste warehouse and then transported by licensed transporters and hazardous waste collectors. Based on field visit in the plantation office, mill office and housing complex known that no ex pesticides or hazardous material containers used for household purposes.

**Status: Comply**

## 5.4

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

### 5.4.1

CH shown commitment to reducing fossil fuel by renewable energy usage. Shell and fiber usage have been monitored by company, as follows :

Records of the use of shells and fiber for the past year per ton of FFB

Month	FFB Processed (Ton)	Utilization(Ton)		Efficiency (Ton/FFB)	
		Shell	Fiber	Shell	Fiber
Jan	11,325	679.5	1,528.9	0.06	0.14
Feb	12,589	764.98	1,699.5	0.06	0.13
Mar	16,573	994.4	2,237	0.06	0.13
Apr	14,775	886.5	1,994.7	0.06	0.14
May	16,531	991.8	2,231.6	0.06	0.13
Jun	13,702	822	1,849.8	0.06	0.14
Jul	14,693	881.6	1,983.5	0.06	0.13
August	12,400	735.5	1,673.9	0.06	0.13
Sept	14,448	1,027.2	2,324.6	0.07	0.16
Oct	14,654	877.75	1,978	0.05	0.13
Nov	14,202	841	1,917	0.06	0.13
Average	14,172	863.8	1,947.1	0.06	0.14

Based on data above, known that during January - November 2018, fiber and shell usage for boiler resulting average energy efficiency are 0.06 ton/FFB for shell and 0.14 ton/FFB for fiber

**Status: Comply**

## 5.5

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

### 5.5.1, 5.5.2

PT Lonsum no-burning policy is contained in the SOP about Land Preparation -Strategies and Parameters, associated with land clearing without the use of fire and also it has been states that the use of fire for any reason is prohibited, such as land preparation activities in the area of new development and or replanting.

Field visit to the Pulau Rambung Estate, Turangie Estate and Bungara Estate there is no replanting activities and there is no indication use of fire for waste disposal.

**Status: Comply**

## 5.6

**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and**

**monitored.**
**5.6.1; 5.6.2**

CH has identified sources of pollution and emissions generated from all operational activities of the plantation and factory. CH also has plans to reduce or minimize these emissions, such as:

- Waste water management to meet quality standards before being flowed to land applications and also use them for composting processes
- Perform maintenance of machines and vehicles
- Land monitoring that has the potential to be fire-prone
- Carry out fertilization in accordance with fertilizer recommendations.
- Use of shells and fiber as boiler fuel.
- Conduct planting / enrichment in the form of planting tree
- Etc.

CH has also conducted an assessment of activities that cause pollution or emissions, for example:

- Liquid Waste quality testing
- air quality testing
- testing of emissions of boilers and generators
- noise testing
- odor testing
- and vibration testing

Based on document verification, there was no results which exceed the thresholds. Based on the results of a field visit in the factory area, known that warning signs are posted at high noise areas.

**5.6.3**

CH also has conducted GHG emission calculations period 2017 make use of Calculator Palm GHG version 3.0.1. Accurate data has been put into the RSPO PalmGHG Calculator (Palm GHG version 3.0.1) and has been verified. Summary of net GHG emissions from PalmGHG calculator of the audit report which calculation option is applied for the reporting. Turangie POM conduct GHG calculation and its monitoring using RSPO palm GHG calculator v 3.0.1. Summary of GHG emmision for Turangie POM are listed as follows :

**Summary of Net GHG Emissions**

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	0.46	OER	22.69	FFB Processed	166599.59
PK	0.46	KER	6.94	CPO Produced	37795.22

Land Use	ha
OP planted area	8055.97
OP Planted on peat	0
Conservation	194.9

**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	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
<b>Emissions</b>								
Land conversion	45325.58	5.63	0	0	0	0		
*CO <sub>2</sub> emissions from fertilizer	6365.33	0.79	0	0	0	0		

**N <sub>2</sub> O emissions	7060.58	0.88	0	0	0	0		
Fuel consumption	1865.4	0.23	0	0	0	0		
Peat Oxidation	0	0	0	0	0	0		
<b>Sinks</b>								
Crop sequestration	-45325.58	-563	0	0	0	0		
Conservation Sequestration	-517.55	-0.06	0	0	0	0		
<b>Total</b>	<b>14773.76</b>	<b>1.83</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**Summary of Mill Emissions and Credits**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emissions</b>		
POME	8158.02	0.05
Fuel consumption	546.85	0
Grid Electricity Utilization	0	0
<b>Credits</b>		
Export of Grid Electricity	-28.86	0
Sales of PKS	-849.2	-0.01
Sales of EFB	0	0
<b>Total</b>	<b>7826.8</b>	<b>0.05</b>

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

Divert to compost	72
Divert to anaerobic digestion	28

**POME Diverted to Anaerobic Digestion:**

Divert to anaerobic pond	100
Divert to methane capture (flaring)	0

Summary of net GHG emissions from PalmGHG calculator of the audit report use November 2005 cut off for LUC calculation option for the reporting.

**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 & 6.1.2**

Still the same as the previous assessment, the management unit of PT Lonsum has document of Social Environment Impact Assessment (SEIA). The assessment process was done on February 2017. The assessment and reported was carry out by Consultant. There was showed also the minutes meeting of consultation process with community surround. The evidence was consist of Attendant List of village member on Focus Group Discussion as phase of data gathering for Social Impact Assessment Report. There is 16 program that has been raised in SEIA document.

In the SEIA document, it has been identified including accessibility, sources of livelihood for rural communities, subsistence

activities around the company's operations, village biographies, population, education level. SEIA also covers potential negative and positive impacts such as employment opportunities, business opportunities, social assistance in infrastructure, education, health, social, religious.

Interview with representative of villages obtained information that affected parties surrounding company are participated when review was conducted.

#### **6.1.3; 6.1.4 & 6.1.5**

Based on document review, records keeping, field visit and public consultation, that the SEIA program has been being implemented right now, such as:

1. An identification of company's workforce is available. There is an official letter from each estate head to the village official about the job vacancy i.e. maintenance and harvesting.
2. There is list of stakeholders in place.
3. An identification of health facilities surrounding estate and/or mill.
4. Built smart house (rumpin) and its activities that has been undertaken during the period 2016-2017.
5. Empowerment of communities' economic
6. Improving the quality of public education
7. Management of infrastructure.

The company has conducted social monitoring such as the realization of CSR programs to the community and all stakeholders. This also includes community economic empowerment, improving the quality of community education, and managing infrastructure.

Result of verification of documents and interviews with management, it is known that PT Lonsum (Turangie POM) does not have a plasma scheme.

**Status: Comply**

#### **6.2**

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

##### **6.2.1, 6.2.2, and 6.2.3**

The company has a communication SOP No. EMS-P05 dated 25 August 2016. The SOP explained the guidelines for communicating and consulting with the community. This procedure explains the communication arrangements with the parties including internal parties related to various environmental issues or related to sustainable palm oil. The management of each estate has conducted socialization to the stakeholders. It has been shown list of stakeholder of PT Lonsum informing statutory bodies, Indigenous people, local communities, workers organizations, local NGO's, contact name, contact number and address. Based on interviews with the management, it was known that the documents list of stakeholders updated if there were changes.

The company was documented all of incoming and outgoing letter from another party. Based on document verification of incoming letter and the respond by the company accordance with the procedure. Each request for information / assistance is then recorded in the Information Request Register Book, and then followed up by giving a response, and stored by unit management.

Management of Lonsum has Personnel in Charge which is appointed to communicate with stakeholders. PIC which is appointed to respond the stakeholders is section head of each estate and mill. Management unit have shown decree stipulation letter appointing officer of communication and consultation number such as :

1. Edi Halomon Sipayung (Pulau Rambung Estate), internal memorandum No.275/PRE/DIV/XII/2018, date December 3, 2018
2. Siswanto (Bungara Estate), based on letter by Estate Manager No. 010/BAE/INT/II/2017, date February 14, 2017.
3. Sopanul Hidayat (Turangie POM), based on letter by Mill Manager No. 048/TOM/KAR/X/2018 based on 2 October 2018.
4. Sujarno (Turangie Estate), based on letter by Act. Estate Manager Turangie No. 289/TR/DIV/VIII/2018, dated 9



Agustus 2018.

The communication officer is still actively working in the operational unit PT Lonsum.

Based on interview with community of Perkebunan Turangie, Perkebunan Bungara Village, if they need information they will submit a letter to the company. According to them, the company always responds each letter submitted. The company has responded well to any existing communication processes.

Based on interview with local community of Perkebunan Turangie, Perkebunan Bungara village, management of Lonsum has socialized SOP communication/consultation with communities.

This procedure explains the communication arrangements with the parties including internal parties related to various environmental issues or related to sustainable palm oil. The management of each estate has conducted socialization to the stakeholders. They also know who the public relations staff should contact at each estate. All communication notes, consultations and responses are recorded in the communication logbook and outgoing email folders.

**Status: Comply**

### 6.3

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

#### 6.3.1 & 6.3.2

There is no change regarding the mechanism for receiving complaints contained in the procedure for handling complaints in accordance with the internal memorandum in 2011 and the complaint mechanism as stated in the SEIA document.

Based on interviews with contractors, village representatives and employees during field visits, consulting with representatives of gender committees and worker union, it is known that employees have been notified of submitting complaints to management either directly or using the suggestion box. So far there have been no communication problems with the company.

Procedures for handling complaints and complaints mechanisms have been socialized to workers and the surrounding community. Based on the results of consultations with trade unions and surrounding communities, they have been aware of complaints and / or complaints resolution procedures.

**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 & 6.4.2

There were no changes related to the procedure for identifying legal/customary rights and the method of calculating compensation listed in Procedure No. OP.2.2 Land Acquisition and Compensation, December 2012, which contains procedures for land acquisition since the preparation stage (including identification of the parties that receive compensation), compensation and the payment phase.

#### 6.4.3

The company has been operating since 1906, with rubber commodities. Based on the results of public consultations with village community leaders and the Land Agency of Langkat Regency, it was known that there were no customary rights or legal rights from other landowner and there are no new land acquisition from ASA-3 to ASA-4

**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 & 6.5.2

Payment of wages carried out by certificate holders consists of several types, namely:

**Daily paid workers**



The certificate holder has carried out payment of wages for daily paid workers who refer to the Internal Memo number 005 / HRD / C-PW / IV / 2018 dated 30 April 2018 which is Rp. 2,384,255/month. This stipulation is higher than the minimum wage in Langkat Regency in accordance with the Decree of the Governor of North Sumatra No. 188.44 / 642 / KPTS / 2017 which explains that the Minimum Wage is set at Rp. 2,312,670.

#### Daily Rated Personnel and Monthly Rated Personnel

The certificate holder has made payment of wages for the Daily Rated Personnel and the Monthly Rated Personnel refer to the Internal Memo number 001 / HRD / C-SAL / IV / 2018 dated 30 April 2018 which is Rp. 2,565,000 / month for DRP and Rp. 2,799,000 / month for MRP (lowest group). This provision is higher than the minimum wage in Langkat Regency in accordance with the Decree of the Governor of North Sumatra.

Based on the verification of the Salary Slip document November 2018, it is known that the payment of wages is in accordance with the stipulated provisions and none is paid below the minimum wage. Provisions for overtime payments are also in accordance with National Regulations with provisions for calculating overtime, ie 1.5 hours of wages for the first hour of overtime and 2 x one hour of wages for second hour overtime. Based on interviews with worker unions and workers, it was explained that the certificate holder had paid wages in accordance with the minimum wage set by the government and there were no problems regarding the payment or welfare of workers.

Provisions for paying overtime for employees working during working hours have been made in accordance with applicable regulations, such as examples of overtime workers, office workers and factories. Harvesters do not use the overtime payment system, but the system for harvesting premium payments while still receiving basic wages and no wage violations or forced labor regulations.

Based on interviews with worker unions and workers, it was explained that the certificate holder had paid wages in accordance with the minimum wage set by the government and there were no problems regarding the payment or welfare of workers.

Based on the results of interviews with representatives of labor unions and management, it is known that workers have socialized the collective labor agreement which among others regarding employee acceptance, work time, wages, help with sick days, loss of work, overtime work and overtime wages and provisions regarding premiums. Socialization is usually done at the time of the "Antrian Pagi".

Based on the results of interviews with workers both in the estate and at the mill, it is known that workers already know the rights and obligations of workers listed in the collective labor agreement including payment of overtime, wages and premium payments.

#### 6.5.3 & 6.5.4

Based on visits to the housing employees, Company has been providing employee homes, worship places, clinics, schools (primary and kindergarten), sports facilities (soccer field, badminton and volleyball) and also daycare in appropriate conditions. In addition, the company provides transportation for student who attend school in the village around the company. Electricity in housing employees have been provided from the state-owned electricity company and the clean water supply provided by the company through the water treatment plant. Based on interviews with workers and worker unions, explained that the number of homes provided by the company have been sufficient for all workers.

The results of interviews with workers, it is known that the company provides freedom for traders to sell in residential areas. There are traveling merchants who enter the housing area to sell basic necessities. In addition, access to decent food sources and affordable prices is easily available because it can be reached in a short time.

	<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

The certificate holder has Internal Memorandum number 022 / HRU-SS / OT-INT / III / 2014 dated March 26, 2014, which

explains that in accordance with article 104 of the Manpower Act, hereby freedom of association is given to workers. Proof of this policy is that each management unit has formed a Workers' Union that has been approved by the Langkat Regency Manpower Office. Based on interview with worker union, it is known that the head of worker union is chosen by election from the worker. The head of worker union is person in charge to conduct bipartite with company.

In the 2015-2017 collective labor agreement that was ratified by the authorities, article II concerning the recognition of the organization has been stated that the company recognizes the existence of unions and also states that employers and worker unions work hand in hand and cooperate in maintaining order and calm in carrying out business.

#### 6.6.2

The certificate holder shows minutes of meetings between certificate holders and Workers' Unions, for example at Bungara Estate on 4 October 2018 which discusses the increase in premiums on oil palm harvests. Based on interviews with worker unions, explained that communication with the certificate holder was harmoniously established and the minutes of the meeting were also held by Worker Unions.

<b>Status: Comply</b>
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#### 6.7

**Children are not employed or exploited.**

##### 6.7.1

Policies related to the minimum age of workers are listed in the Internal Memo of December 10, 2017 concerning the Renewal of the Acceptance Policy for MRP / DRP Employees, of whom prospective workers must meet the minimum age limit of 18 years.

Based on Employee Register November 2018 which describes the date of birth of workers, it is known that all workers have more than 18 years. As well as visits and interviews with workers, do not meet workers under the age of 18 years. Workers have realized that the minimum age for employment is 18 years and at the time of receipt of work must be equipped with an ID card.

<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

The certificate holder shows the policy about opportunities and equal treatment to get the employment opportunities listed in the Business Behavior Guidance document - on Fair Treatment and Giving Equal Opportunities. In summary, at this point, it is stated that for each applicant, employees, directors and commissioners of the company will assess and provide fair compensation based on their qualifications, expertise and work performance. In addition, the company also has an ongoing management policy that has been listed in the Directors Decree No. 001 / DIR / IX / 2014 which includes providing equal opportunities for all employees to organize, organize and develop careers.

Based on the results of verification of the labor list document, it is known that workers come from various regions, religions, ages etc. In addition, the results of interviews with workers' unions stated that there were no indications / issues related to discrimination. Certificate holder provide equal opportunities and opportunities in employment opportunities.

##### 6.8.3

The certificate holder saves and maintains employee track records. HO HRD representatives have shown examples of recruitment from the request of employees from the management unit to the appointment of employees to permanent employee status.

The certificate holder has a career level system for employees contained in the Internal Memorandum number 021 / HRD / CIR / VI / 2015 concerning the Proposal of paid daily workers to be daily rated personnel on June 23, 2015. In the Internal memo, the mechanism is explained without discrimination during the process.

As an example :

##### **Recruitment**

There is an interview assessment (scoring interview) for example the date of interview March 27 2018 for prospective

pruning job workers declared to pass with a total score of 19 (average 2.1) and for the range 2.00 - 2.99 declared potential / talented.

#### **Promotion**

The employee promotion process is shown which begins with the evaluation of the Evaluation Form. For example for workers with MRP status and D6 grade at Turangie Estate who work as a Data Clerk. Based on the results of the assessment promoted up-grade to C2.

<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 & 6.9.3**

The company have mechanisms and complaint handling system is described in Internal Memo on 2011 from Human Resources Director to All Estate Managers and All Mill Managers dated 1 April 2011 on Procedures for Handling Complaints Handling in which the mechanism of handling complaints in stages. These complaints include sexual harassment and various forms of violence against women and to protect their reproductive rights. Documents are presented in an easily understandable Indonesian format and available at the audit site.

These policies are documented, implemented and communicated to all levels of workers. For example :

- Socialization at Bungara Estate date June, 5 2018 followed by 11 participant.
- Socialization at Turangie Estate date January, 10 2018 followed by 19 participant.
- Socialization at Pulau Rambung Estate date September, 27 2018 followed by 26 participant.

Gender Committee has been formed with the organizational structure, namely counselor, chairperson, secretary, Service and Complaints Division, Maternal and Child Health Division and Counseling and Counseling Services.

There are regulations concerning female menstruation leave as much as 2 days/month (first and second day) with a medic examination, as well as maternity leave 1.5 months before giving birth and 1.5 months after birth with the calculation of a medical check-up. The gender committee stated that there is also known that there is no issue or complaint related to sexual harassment on the workplace, and there is no complaint from them.

Interviews with workers' representatives in the pesticide operator of Bungara Estate, Representatives of Labor Unions and Gender Committee it is known that pregnant and lactating female workers that working on chemicals, will be transferred to light work and not related to chemicals. Gender Committee Estate and Mill said they known the mechanism of handling specific complaints.

<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**

Based on document review and field observation to Turangie POM known the company only processes FFB originating from the main estate. FFB if there is nothing sourced from plasma or small holder so that Turangie POM does not need to have information about FFB prices and pricing mechanisms.

##### **6.10.3 & 6.10.4**

Turangie POM does not cooperate FFB procurement with smallholders or third parties. Collaboration with contractors includes building housing and fire towers. One example of a cooperation contract is the Letter of Agreement No. 06 / EP / CONT / 2017 between PT PP London Sumatra Indonesia Tbk and CV Melati for the construction of the Fire Tower. In the agreement, prices, obligations, rights, payment methods, OHS system have been discussed and both parties have agreed

In accordance with what is stated in the work agreement the payment is made through a bank transfer. The company shows the request for payment of 1 unit of the Fire tower on Pulau Rambung Estate with contractor CV Melati. The process has been approved and waits for the book closing period to transfer to the bank.

The result of the interview with the representative of CV Melati is that the work agreement was made by both parties without intimidation and coercion. The main points of the agreement have been understood marked by the signing of the agreement. The agreement letter is made in duplicate and held by each party. Payment for each job is in accordance with

the agreement. The amount paid is in accordance with the contract value

**Status: Comply**

#### 6.11

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

##### 6.11.1

Local development needs and priorities have been identified in consultations conducted with local communities, namely by sending proposals to companies regarding the needs of the community at that time.

The company shows several proposals submitted by several villages around the company as a form of the company's contribution to local development and its realization documentation.

Realization of the CSR program in 2017/2018 for example :

- Clean water supply assistance for Dusun VI Desa T. Lawan which was held on May 5, 2018 (Bungara Estate).
- Assistance for heavy equipment for the people of Empus Village to produce water ditches that were held on June 1, 2018 (Bungara Estate).
- Water tank tower assistance for the Pancur Ido Village given on January 24, 2018 (Turangie POM).
- Sports activities in Bandar Telu Village to procure a volleyball scoreboard that was carried out on 26 October 2018 (Turangie POM).
- Religious assistance MTQ Timbang Lawan village was realized on September 1, 2018 (Pulau Rambung Estate).
- Assistance in the field of infrastructure, namely lending heavy equipment to leveling farmer roads in Sematar village on October 30, 2018 (Pulau Rambung Estate).

Community members from Perkebunan Turangie and Perkebunan Bungara Villages interviewed by the auditor explained that the community around the company was pleased with the results of the company's consultations related to CSR. In addition, the company has also provided work opportunities openly to local communities. This can be seen from the list of employees, some of whom are residents of villages around the company.

##### 6.11.2

Based on the results of the documents review and interviews with the management representatives it is known, that the company did not carry out plantation development activities with a plasma scheme.

**Status: Comply**

#### 6.12

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

##### 6.12.1, 6.12.2 & 6.12.3

Based on the results of a study of the list of labor documents and letters of appointment / work agreements and the results of interviews with stakeholders such as the Manpower Office, surrounding communities, trade unions and employees during field visits it is known that the company does not conduct labor trade or forced labor. All workers already have work agreements that are registered / registered with the Manpower Office (evidence that there is a Labor Service stamp on the employment agreement) or an appointment letter with the company.

Based on the results of field visits in harvesting activities, manual weeding, transportation of FFB was not found any use of forced labor, child labor or family members who helped employees. All workers have agreements with companies.

Based on the results of a document review on the November 2018 employee list and an explanation from the management, it is known that there are no migrant workers. All workers come from within the country, apart from villages around the plantation area, there are also those from other provinces, including: South Sumatra, Java, Kalimantan, Riau, and others. As a result of public consultations with the Langkat District Manpower Office, there were no identifiable migrant workers and the issue of forced labor in the company.

**Status: Comply**

#### 6.13

#### **Growers and millers respect human rights**

##### 6.13.1

The company has a policy of respecting human rights as stated in the Directors Decree No 001 / DIR / IX / 2014 concerning

guidelines for sustainable management policies, which state that companies respect all human rights and impose sanctions on those who violate human rights.

The company has disseminated human rights policies during the morning briefing / work before work. In addition, socialization was also in the form of pamphlets displayed at the office of the estate and mill as well as during meetings, for example on February 2, 2018 on the Turangie POM page with the agenda of delivering integrity, human rights and sexual harassment codes attended by 19 workers.

Status: Comply

**PRINCIPLE #7 Responsible development of new plantings**

**7.1**

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

**7.1.1; 7.1.2; 7.1.3**

Based on the results of the document review (area statement), public consultations (Institutions and Villages) and management interviews, there was no opening / expansion of the area since 2005. There were only replanting activities that began in 2010-2011.

Status: Comply

**7.2**

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

**7.2.1 & 7.2.2**

Based on document review, field observations, and interview with stakeholder are known that there is no development of new areas of expansions carried out by the company.

Status: Comply

**7.3**

**New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.**

**7.3.1, 7.3.2; 7.3.3; 7.3.4; 7.3.5**

Based on the results of the document review (area statement), public consultations (Institutions and Villages) and management interviews, there was no opening / expansion of the area since 2005. There were only replanting activities that began in 2010-2011.

PT PP London Sumatra Indonesia Tbk has conducted disclosure of liability in accordance with email on 19 September 2014 which explained all units under PT PP London Sumatra Indonesia Tbk in Sumatera Utara Province, Sumatera Selatan Province and Kalimantan Timur Province of Indonesia.

Status: Comply

**7.4**

**Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

**7.4.1 & 7.4.2**

The results of document studies, field visits and interviews with stakeholders are known that there is no development of new areas or expansion of areas carried out by companies in 2017-2018.

Status: Comply

**7.5**

**No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

**7.5**

Based on the review document area statement and field visits in each management unit, it was known that there were no

new planting activities in the CH area.		
	<b>Status: Comply</b>	
<b>7.6</b> <b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>		
<b>7.6</b> Based on the review document area statement and field visits in each management unit, it was known that there were no new planting activities in the CH area.		
	<b>Status: Comply</b>	
<b>7.7</b> <b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>		
<b>7.7.1 &amp; 7.7.2</b> Up to the current audit, PT London Sumatra (Turangie POM) did not expand the new plantation. The results of document review, field visits and interviews found that Turangie Oil Mill and supply base (Turangie Estate, Bungara Estate and Pulau Rambung Estate) did not convert or conduct new planting since ASA-2.		
	<b>Status: Comply</b>	
<b>7.8</b> <b>New plantation developments are designed to minimize net greenhouse gas emissions.</b>		
<b>7.8.1; 7.8.2</b> Based on the results of the document review (area statement), public consultations (Institutions and Villages) and management interviews, there was no opening / expansion of the area since 2005. There were only replanting activities that began in 2010-2011.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
To maintain compliance with P & C RSPO, the CH conducts internal audits once every 1 year by internal auditor from Head Office. The company has been implementing commitment to continual improvement, such as: <ul style="list-style-type: none"> <li>The company has significantly reduced the use of Paraquat since 2014 (criteria 4.6).</li> <li>PT PP London Sumatera Indonesia Tbk, Turangie has built a smart home, called <i>Rumah Pintar (RUMPIN)</i> that is the center of activities, coaching and partnerships. The company has empowered and developed skills for the surrounding community.</li> </ul> The company has made improvements in continuous business improvement, including: <p><b>Environmental</b> The company has routinely carried out management and monitoring of environmental impacts and reported to relevant agencies.</p>		
	<b>Status: Comply</b>	



**3.2. Summary of Assessment Report of Supply Chain Requirement**
**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>The organization take legal ownership and physically handles RSPO certified sustainable oil palm products. For transport the product, the organization is using contractor.</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>The mill does not use traders and distributors. All of selling certified product has been done by the mill.</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>The parent company are member of RSPO:</p> <ul style="list-style-type: none"> <li>- Number of RSPO membership: 1-0041-07-000-00, 24 September 2007</li> <li>- RSPO IT Platform for Turangie Mill: <b>RSPO_PO1000002367</b></li> </ul>
	<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>There is no processing aids in the operational Turangie POM.</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>The organization has applied Identity Preserved supply chain model correctly and there is no declassification.</p>
	<b>Status: Comply</b>
5.2.2	<p>The site can use one (1) or a combination of supply chain models as audited and certified by the CB.</p> <p>The organization has applied Identity Preserved supply chain model only</p>
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
5.3.1	



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.	
The Certificate Holder has had the procedure of environmental management system EMS-P17 CSPO Supply Chain dated 5 Agustus 2016. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements, FFB receiving method, training records, handling complaint, recording, claiming, internal audit including management review. The procedures also identified role of implementation responsibility persons that trained. The person in charge of the POM operational are mill manager, head of ECSR, head of sales, IT departement etc.	
The results of interviews with production clerk and weighbridge officers, it was found that workers had received training in SCCS and understood the SCCS procedure.	
	<b>Status: Comply</b>
<b>5.3.2</b>	
The site shall have a written procedure to conduct annual internal audit	
The company has procedure No. EMS-P12 concerning Internal audit dated 10 August 2009 which explained the mechanism of internal audit activities carried out every year.	
The mill has conduct internal audit that include SCCS on 21 November 2018, there is one non-conformity related to SCCS socialization to worker and has been comply on 23 November 2018.	
	<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	
Turangie POM does not purchase RSPO certified oil palm products. Turangie POM is the producer of RSPO certified oil palm products	
	<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	
Turangie POM does not purchase RSPO certified oil palm products. Turangie POM is the producer of RSPO certified oil palm products	
	<b>Status: Comply</b>
<b>5.5</b>	<b>Outsourcing activities</b>
<b>5.5.1</b>	
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.	
Turangie POM doesn't outsource refining and crushing activity. The company uses third party contractors for CPO & PK transportation activities.	
	<b>Status: Comply</b>
<b>5.5.2</b>	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>b. 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.</li> </ul>	

	<p>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d. 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</p>
	<p>Procedure of outsourced contractor are describe in procedure of environmental management system EMS-P17 CSPO Supply Chain dated 5 Agustus 2016. The site has an agreement or contract covering the outsourced process which describe control system of contractor activities by certificate holder and to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary, for example: PK transporter contractor CV Cahaya Indah Sejahtera agreement No. 03/PROC-PK CIS/2018 dated 25 December 2017 with validity period till 31 December 2018.</p> <p>In addition, there has been an addendum to the transport work agreement, for example a work agreement with UD Serba Guna No. 05 / PROC-PK SG / 2018 dated 11 May 2018 which explains that:</p> <ul style="list-style-type: none"> <li>• The contractor is willing to fulfill the supply chain system</li> <li>• The contractor is willing to give company, certification bodies and RSPO access to audit if necessary</li> <li>• Company is willing to provide training about SCCS to contractors</li> </ul>
	<p><b>Status: Comply</b></p>
<p><b>5.5.3</b></p>	<p>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.</p>
	<p>CH has record the name and contract details of contractor used for handling of RSPO certified oil palm products:</p> <ul style="list-style-type: none"> <li>- CPO Transporter contractor: PT Tangki Mas</li> <li>- PK transporter contractor: UD Serba Guna</li> <li>- CPO &amp; PK transporter: CV. Cahaya Indah Sejahtera and PO Felindo</li> </ul>
	<p><b>Status: Comply</b></p>
<p><b>5.5.4</b></p>	<p>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</p>
	<p>Based on interview with mill manager and list of contractors, there are only four outsourcers which physical handling of RSPO certified oil palm products. It will be verified on next surveillance, if any new contractor.</p>
	<p><b>Status: Comply</b></p>
<p><b>5.6</b></p>	<p><b>Sales and goods out</b></p>
<p><b>5.6.1</b></p>	<p>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</p> <p>All RSPO product information is provided by the organisation in accordance with :</p> <ul style="list-style-type: none"> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number.</li> <li>• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products</li> </ul>

<ul style="list-style-type: none"><li>For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li></ul>		
The site has product information provided in such as document of sales contract, Master Delivery Order, weighbridge ticket, loading instruction, delivery notes etc. The informations are: <ul style="list-style-type: none"><li>- The name and address of the buyer;</li><li>- The name and address of the seller;</li><li>- The loading or shipment / delivery date;</li><li>- A description of the product RSPO certified Identity Preserved model</li><li>- The date on which the documents were issued;</li><li>- The quantity of the products delivered;</li><li>- E-trace Number</li><li>- Number of RSPO Certificate</li><li>- Any related transport documentation (truck id, driver name, driving license)</li></ul>		
For example Delivery Note number 6240493751 on 23 April 2018 from PT PP.London Sumatra Indonesia-Turangie POM to PT Musim Mas in Medan; for PK sales with volume 25,690 Kg; contract No. 2570009414; Identity Preserved Model; Moisture quality is 7.21%; Dirt Content 7.17%.		
In addition, there is an letter of RSPO Statement dated July 30, 2018 which explains that the buyer is PT Musim Mas that located in Medan; seller is Turangie PKS that located at Jalan Binjai, Langkat Regency; seller RSPO Certificate number MUTU-RSPO/049 with validity period until January 8, 2020; the amount sent is 1000 MT; Delivery Order Number: 2570009652-000010.		
	<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>		
RSPO IT Platform member registration number: <b>RSPO_PO1000002367</b>		
All transaction of RSPO certified oil palm products has been registered in RSPO IT Platform (see indicator SCCS 5.7.2).		
	<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><li>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.</li><li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li><li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li></ul>		
<ul style="list-style-type: none"><li><b>Certified CPO sold to each buyer period of 9 Jan 2018 to 30 November 2018:</b></li></ul>		
	<b>Date</b>	<b>Volume</b>

27 November 2018	Credit Allocation	5,500
08 October 2018	Credit Allocation	5,000
23 August 2018	Credit Allocation	2,500
01 August 2018	Credit Allocation	1,500
01 August 2018	Credit Allocation	1,000
09 July 2018	Credit Allocation	10,500
17 April 2018	Credit Allocation	4,000
17 April 2018	Credit Allocation	4,500
17 April 2018	Credit Allocation	500
<b>Total</b>		<b>35,000</b>

• **Certified Palm Kernel sold to each buyer period of 9 Jan 2017 to 30 November 2018:**

Date	Buyer	Volume
17 January 2018	PT Musim Mas	500
18 January 2018	PT Musim Mas	400
18 January 2018	PT Musim Mas	300
18 January 2018	PT Musim Mas	500
22 January 2018	PT Musim Mas	200
30 January 2018	PT Musim Mas	200
13 February 2018	PT Musim Mas	400
08 March 2018	PT Musim Mas	800
16 March 2018	PT Musim Mas	600
05 April 2018	PT Musim Mas	500
23 April 2018	PT Musim Mas	500
18 July 2018	PT Musim Mas	1000
<b>Total</b>		<b>5,900</b>

All transactions of CSPK have been shown in shipping announcement, for example Shipping Announcement no. TR-8b308f3bfb96 dated 18 July 2018 related to the sale of CPO of 1,000 tons to PT Musim Mas. For CSPO sold as conventional has been registered as Credit allocation.

	<b>Status: Comply</b>
<b>5.8</b>	<b>Training</b>
<b>5.8.1</b>	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
	Mill has a SCCS Training Program in 2018 and has been planned on July 2018.
	<b>Status: Comply</b>
<b>5.8.2</b>	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
	Certificate holder has provided training at 06 July 2018 and 23 November 2018 for mill worker and socialization for contractor in 11 June 2018. Based on interview at weighbridge and Crop Clerk is known that the worker in charge have understand the RSPO supply chain procedures.
	<b>Status: Comply</b>

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																																																																										
CH has have document of “Neraca Supply Chain” that informing FFB processed, CPO & PK Production, extraction rate, quality till CPO & PK Sales. The data has up-to-date and accurate and has been covering all aspect of SCCS Requirement.																																																																										
	Status: Non Conformity with Major category																																																																									
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 retention times for all records and reports are keep in minimum 2 years, this in accordance with procedure No. EMS-P17 about CSPO Supply Chain dated 5 Agustus 2016. The mill can show implementation of the procedure by showing the SCCS documentation (Weighbridge ticket, delivery note and “Neraca Supply Chain”) period 2016.																																																																										
	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.																																																																										
Estimates of CPO and PK produced by Turangie POM obtained from the actual data of 12 months before the audit activities and have been described in this ASA-4 report, consist of:																																																																										
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Mei 2018	1,203.82		815.12	
June 2018	954.06		799.08	
July 2018	1,013.55		496.93	
August 2018	897.02		50.52	
Sept 2018	1,246.98			
Oct 2018	1,074.75			
Nov 2018	1,052.18			
<b>Total</b>	<b>11,209.25</b>		<b>5,900.00</b>	
	<b>Status: Comply</b>			
<b>5.10</b>	<b>Conversion factors</b>			
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 ( <a href="http://www.rspo.org">www.rspo.org</a> ); 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			
	Turangie only performs FFB processing up to CPO and PK. The conversion factors of CPO and PK are based on actual extraction.			
	<b>Status: Comply</b>			
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.			
	Turangie only performs FFB processing up to CPO and PK. The conversion factors of CPO and PK are based on actual extraction.			
	<b>Status: Comply</b>			
<b>5.11</b>	<b>Claims</b>			
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.			
	Based on transaction report documents, all CSPO and CSPK submitted are in accordance with the applied supply chain model that is Identity Preserved.			
	<b>Status: Comply</b>			
<b>5.12</b>	<b>Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.			
	Procedures for stakeholders complaints established in form of procedure of environmental management system EMS-P17 CSPO Supply Chain dated 5 Agustus 2016. The stakeholders complaints are manage by social complaint and external conflict procedure. Mill shall handle the complaints in 14 days accordance to the procedure. According to verification of complaint records it is no complaint regarding SCCS for past a year.			
	<b>Status: Comply</b>			
<b>5.13</b>	<b>Management review</b>			
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			

The Mill has EMS-P17 CSPO Supply Chain dated 5 Agustus 2016 which explains that management review activity is done at least once a year.	
	<b>Status: Comply</b>
<b>5.13.2</b> The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	
The Management Review conduct on 13 September 2018 are include result of internal audit, preventive and corrective actions, follow up actions and recommendations for improvement.	
	<b>Status: Comply</b>
<b>5.13.3</b> The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	
The Management Review conduct on 13 September 2018 are include the decision and actions related to Improvement of the effectiveness of the management system and its processes and Resource needs.	
	<b>Status: Comply</b>



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

Clause	Requirement																																	
D1	Definition																																	
D.1.1																																		
A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.																																		
Based on verification document and interview with weighbridge operator and security, Turangie POM only received and processed FFB from own plantation. The FFB supplied from own estate; consist of Turangie Estate, Bungara Estate and Pulau Rambung Estate. Based on explanation above, Turangie POM apply the requirements of SCCS Module D (IP).																																		
	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 certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report																																		
Estimates of CPO and PK produced by Turangie POM obtained from the actual data of 12 months before the audit activities and have been described in this ASA-4 report, consist of:																																		
FFB: 182,226 ton																																		
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PK: 12,756 ton (KER: 7%)																																		
	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).																																		
• RSPO IT Platform member registration number: RSPO_PO1000002367																																		
• Certified CPO sold to each buyer period of 9 Jan 2018 to 30 November 2018:																																		
<table><tr><th>Date</th><th>Buyer</th><th>Volume (MT)</th></tr><tr><td>27 November 2018</td><td>Credit Allocation</td><td>5,500</td></tr><tr><td>08 October 2018</td><td>Credit Allocation</td><td>5,000</td></tr><tr><td>23 August 2018</td><td>Credit Allocation</td><td>2,500</td></tr><tr><td>01 August 2018</td><td>Credit Allocation</td><td>1,500</td></tr><tr><td>01 August 2018</td><td>Credit Allocation</td><td>1,000</td></tr><tr><td>09 July 2018</td><td>Credit Allocation</td><td>10,500</td></tr><tr><td>17 April 2018</td><td>Credit Allocation</td><td>4,000</td></tr><tr><td>17 April 2018</td><td>Credit Allocation</td><td>4,500</td></tr><tr><td>17 April 2018</td><td>Credit Allocation</td><td>500</td></tr><tr><td colspan="2">Total</td><td>35,000</td></tr></table>		Date	Buyer	Volume (MT)	27 November 2018	Credit Allocation	5,500	08 October 2018	Credit Allocation	5,000	23 August 2018	Credit Allocation	2,500	01 August 2018	Credit Allocation	1,500	01 August 2018	Credit Allocation	1,000	09 July 2018	Credit Allocation	10,500	17 April 2018	Credit Allocation	4,000	17 April 2018	Credit Allocation	4,500	17 April 2018	Credit Allocation	500	Total		35,000
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17 April 2018	Credit Allocation	500																																
Total		35,000																																

- **Certified Palm Kernel sold to each buyer period of 9 Jan 2017 to 30 November 2018:**

Date	Buyer	Volume (MT)
17 January 2018	PT Musim Mas	500
18 January 2018	PT Musim Mas	400
18 January 2018	PT Musim Mas	300
18 January 2018	PT Musim Mas	500
22 January 2018	PT Musim Mas	200
30 January 2018	PT Musim Mas	200
13 February 2018	PT Musim Mas	400
08 March 2018	PT Musim Mas	800
16 March 2018	PT Musim Mas	600
05 April 2018	PT Musim Mas	500
23 April 2018	PT Musim Mas	500
18 July 2018	PT Musim Mas	1000
<b>Total</b>		<b>5,900</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

- Complete and up to date procedures covering the implementation of all the elements in these requirements;
- The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.

The Certificate Holder has had the procedure of environmental management system EMS-P17 CSPO Supply Chain dated 5 Agustus 2016. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements, FFB receiving method, training records, handling complaint, recording, claiming, internal audit including management review. The procedures also identified role of implementation responsibility persons that trained. The person in charge of the POM operationals are mill manager, head of ECSR, head of sales, IT departement etc.

The results of interviews with production clerk and weighbridge officers, it was found that workers had received training in SCCS and understood the SCCS procedure.

**Status: Comply**

##### **D.3.2**

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

The procedure about acceptance and processing FFB has include in the procedure EMS-P17 about CSPO Supply Chain on 5 August 2016. (see D.3.1)

**Status: Comply**

#### **D.4 Purchasing and goods in**

##### **D.4.1**

**The site shall verify and document the tonnage and sources of certified FFBs received.**

- **Certified and non-certified FFB received period of 9 January 2018 to 30 November 2018**

Month	FFB (MT)
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	RSPO Certified	Non Certified	Total
9 – 31 Jan 2018	8,624.51	-	8,624.51
Feb 2018	12,570.34	-	12,570.34
Mar 2018	16,596.54	-	16,596.54
Apr 2018	14,764.29	-	14,764.29
Mei 2018	16,532.39	-	16,532.39
June 2018	13,659.92	-	13,659.92
July 2018	14,701.38	-	14,701.38
August 2018	12,394.42	-	12,394.42
Sept 2018	17,226.74	-	17,226.74
Oct 2018	14,656.04	-	14,656.04
Nov 2018	14,271.89	-	14,271.89
Total	155,998.46	-	155,998.46

	<b>Status: Comply</b>
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<b>D.4.2</b>
<b>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</b>
<p>In the previous certified (ASA-2) period January 09, 2017 until January 08, 2018, production of CSPO and CSPK does not exceed the RSPO certificate issued.</p> <ul style="list-style-type: none"> <li>• CPO: 38,012.75 Ton → Total estimate in certificate is 44,615 Ton</li> <li>• PK: 11,626.43 Ton → Total estimate in certificate is 12,827 Ton</li> </ul> <p>For this period (ASA-3) from January 09, 2018 until November 30, 2018, Turangie POM production of CSPO and CSPK does not exceed the RSPO certificate issued.</p> <ul style="list-style-type: none"> <li>• CPO: 35,578.73 Ton → Total estimate in certificate is 42,533 Ton</li> <li>• PK: 11,209.25 Ton → Total estimate in certificate is 12,228 Ton</li> </ul> <p>The company needs to reassure reporting to the certification body if the PK production exceeds the quota on the Certificate.</p>
<b>OFI</b>

	<b>Status: Comply</b>
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<b>D.5</b>	<b>Record keeping</b>
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<b>D.5.1</b>
<b>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</b>
The Turangie POM has a monitoring report for RSPO certified product (CPO & PK).

Month	CPO			
	Production (MT)		Sold (MT)	
	Certified	Non-Certified	Certified	Conventional
9 – 31 Jan 2018	1,909.96			1,475.11
Feb 2018	2,915.33			2,409.41
Mar 2018	3,839.53			3,949.76
Apr 2018	3,450.89			2,613.16
Mei 2018	3,865.58			4,449.51
June 2018	3,172.32			3,513.67
July 2018	3,386.08			3,028.59
August 2018	2,799.47			2,918.14
Sept 2018	3,845.00			3,390.07

Oct 2018	3,254.93			2,981.21
Nov 2018	3,139.64			2,534.64
<b>Total</b>	<b>35,578.73</b>			<b>33,263.27</b>

Month	PK			
	Production (MT)		Sold (MT)	
	Certified	Non-Certified	Certified	Conventional
9 – 31 Jan 2018	616.97		593.60	
Feb 2018	912.79		842.86	
Mar 2018	1,173.12		1,138.10	
Apr 2018	1,064.01		1,163.79	
Mei 2018	1,203.82		815.12	
June 2018	954.06		799.08	
July 2018	1,013.55		496.93	
August 2018	897.02		50.52	
Sept 2018	1,246.98			
Oct 2018	1,074.75			
Nov 2018	1,052.18			
<b>Total</b>	<b>11,209.25</b>		<b>5,900.00</b>	

	<b>Status: Comply</b>
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<b>D.6</b>	<b>Processing</b>
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<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 separated from non-certified oil palm product including during transport and storage to strive for 100% separation.</b>
	The entire accepted and processed product in Turangie POM comes from RSPO certified own estate. Until now, Mill Factory does not accept and process FFB from not certified sources.

	<b>Status: Comply</b>
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**3.3. Conformity Checklist of Certificate and Logo Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA-4</b>	PT PP London Sumatra Indonesia subsidiary of PT Salim Ivomas Pratama do not use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA-4</b>	PT PP London Sumatra Indonesia subsidiary of PT Salim Ivomas Pratama do not use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA-4</b>	PT PP London Sumatra Indonesia subsidiary of PT Salim Ivomas Pratama do not use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-4</b>	PT PP London Sumatra Indonesia subsidiary of PT Salim Ivomas Pratama do not use RSPO trademark and CB Logo.	√
	<b>Status: Comply</b>	

### 3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of PT Salim Ivomas Pratama Tbk. 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

PT Salim Ivomas Pratama Tbk Time Bound Plan is explaining in table 1.10. PT Salim Ivomas Pratama Tbk run thirty one (31) mills in Indonesia, and has achieved RSPO certified for eleven (11) mills and supply base in Indonesia. PT Salim Ivomas Pratama Tbk has informed the Time Bound Plan progress, MUTU has considered that PT Salim Ivomas Pratama Tbk is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by PT Salim Ivomas Pratama Tbk on December 2017 approved by Head of ECSR & HS Department.

MUTU has verified partial certification for un-certified unit's subsidiary of PT Salim Ivomas Pratama Tbk based on their Time Bound Plan. There are five (5) uncertified mill management unit of PT Salim Ivomas Pratama Tbk. 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 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 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.

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
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> Yes, there was an internal audit and has positive assurance statement.</p> <p><b>Auditor Verification:</b> Internal Audit report available for Terawas Indah POM and Sei Lakitan POM.</p>
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <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> PT PP London Sumatra and its subsidiaries have been reporting disclosure of liability to RSPO and historical of Land Use by email dated 19 September 2014.</p> <p><b>Auditor Verification:</b> RaCP for operation area of PT PP London Sumatra in South Sumatera and East Kalimantan, but the RaCP process not finish yet until the approval of compensation plan from RSPO compensation panel</p>
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> There is new planting after 1 Jan 2010 in Pahu Makmur POM and Supply Base.</p> <p><b>Auditor Verification:</b></p>



		Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided. The notification is announce on 17 June 2016 in RSPO Website
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> 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 of Land Acquisition and Compensation (SOP OP 2.2). This procedure regulates that conflict resolution can be done in a participatory manner and can also be done by a third party (mediator).</p> <p><b>Auditor Verification:</b> Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for uncertified unit of the group subsidiaries.</p>
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> 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 describe in Internal Memo from HR Director No. 28/HRD/CIR/2011. 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> There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries. But there is complaint from NGO to certified unit of PT PP London Sumatra.</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> 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 EMS-P02 dated April 10<sup>th</sup> 2015. 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>

		The area of Pahu Makmur Estate, Isuy Makmur Estate, Sei Lakitan Estate, Riam Indah Estate, Sei Gemang Estate, Sei Punjung Estate, Bangun Harjo Estate, Suka Bangun Estate, Terawas Indah Estate and Gunung Bais Estate are still in process for HGU (Committee B meeting)
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**3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.**
**3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-3**

NCR No.	:	2017.01	Issued by	:	Sandra Purba
Date Issued	:	27 October 2017	Time Limit	:	ASA-4
NC Grade	:	Minor	Date of Closing	:	06 December 2018
Standard Ref. & Requirement	:	2.1.2 A documented system, which includes written information on legal requirements, shall be maintained			
Non-Conformance Description & Evidence observed (filled by auditor): List of relevant regulation sighted on document of EMS IA-C5 – Evaluation of SPO Regulation, issue no.: 7, latest update on Sept 2017. The document informs : title, no legislation & other requirement, key requirement, evaluation of implementation. Has been identified as many as 224 types of regulations relevant to the percentage of fulfillment average of 99.76% for each unit. Based on the document review there are some regulations that have not been updated in the list for example: PP No 44/2015; PP no. 45/2015; PP No. 46/2015; Regulation of Agrarian Minister No. 7/2017 and PP No 37/2012. In this case the company has not been able to show the documentation system which includes written information on the requirements for all regulations relevant to its operational activities.					
Root Cause Analysis (filled by organization audited): Updates or revisions to regulatory evaluations at least once a year, but the evaluation period is not determined					
Correction (filled by organization audited):  Conduct revisions and evaluations of regulations every semester in a memorandum.					
Corrective Action (filled by organization audited): Set the time for evaluation of regulations every semester in a memorandum.					
Assessor Evaluation and Conclusion (filled by auditor): Auditor Verification (06 December 2018) The company shows the Compliance Evaluation of Regulations document which was evaluated on February 20, 2018 and has been updated as many as 221 types of regulations. Some rules have been updated for example: Peraturan Menteri Agraria No 7 tahun 2017; PP no 37 / 2012 tentang pengelolaan daerah aliran sungai; permenaker no 33 tahun 2015 and some other regulations have been adjusted, such as the stipulation of the Langkat Regency 2018 minimum wage (SK Gubernur Sumut No.188.44/642/KPTS/2017) and the increase in wages of private sector BKSPPS workers in North Sumatra Province in 2018 (Dok. BKS-PPS No.13/BKS-PPS/2018).  Based on the explanation above, this nonconformity is stated to be fulfilled					
Verified by	:	Dwi Haryati			

**3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-4**

<b>NCR No.</b>	: 2018.01	<b>Issued by</b>	: Dwi Haryati
<b>Date Issued</b>	: 06 December 2018	<b>Time Limit</b>	: Recertification
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	1.1.1. List of information related to criterion 1.2 that can be accessed by relevant stakeholders shall be available.		
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor):</i>  The management unit has not been able to show evidence of providing information regarding the use of <i>HGU</i> to the local <i>BPN</i> in accordance with the Regulation of the Minister of <i>ATR No. 07 of 2017</i> .			
<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
1	1.1.2	Ensure the provision of information in the form of Notification of water use as a basis for payment of natural resource concession tax to the relevant agencies and ensure the re-recording of receipt of SKPD (Regional Tax Assessment Letter) payment of water retribution
2	2.1.1	<ul style="list-style-type: none"> <li>• Payment of Levy in accordance with Permit for Exploitation of Water Resources</li> <li>• Ensure the progress of renewal of Permit for Exploitation of Water Resources</li> </ul>
3	4.4.3	Ensure the progress of renewal of the Land Application License
4	D.4.2	Mill needs to reassure reporting to the certification body if the PK production exceeds the quota at the Certificate.

**3.5.4 Noteworthy Positive Components**

No	Descriptions
1	The commitment of the company to implement the principles of sustainable palm oil management
2	Have earned Gold Flag for OHS Management System
3	Have earned <i>PROPER</i> with blue rating
4	Committed in providing clean water by building WTP
5	Implementing a composting system in the application of Empty Fruit Bunch

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

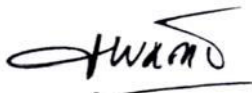

Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>Employment Agency of Langkat Regency</b> <ul style="list-style-type: none"> <li>• All of Manpower monitoring has conducted by manpower agency of Sumatera Utara Province.</li> <li>• The last field visit from the Employment Agency of Langkat Regency was held in October 2018.</li> <li>• All the workers have been included in BPJS employment and health.</li> <li>• Contract worker and daily worker has been registered in the Manpower Agency of Langkat District.</li> <li>• The applicable minimum wage is the Provincial Minimum Wage in 2018 (using the BKS PPS wage standard).</li> <li>• Updates on <i>Perjanjian Kerja Bersama</i> (Collective Labour Agreements) are still the same as the previous year. PKB still applies for the period of 2015-2017.</li> <li>• The company has established good communication with the agency.</li> <li>• There are no issues related to employment such as child labor / underage, discrimination etc.</li> <li>• There is no letter requesting information from the agency, but if there is a request for information from the agency, the company has responded well</li> </ul>	<p>This has in accordance with criteria 1.1, 4.7, 6.5</p>
<b>Agriculture Agency of Langkat District (Kasie)</b> <ul style="list-style-type: none"> <li>• The company already has the documents of land rights in the form of concession and permits for business activities</li> <li>• The company has reported its business activities to the plantation agency every semester. The latest Plantation Business Activity Report is sent for the first semester of 2018.</li> <li>• There is no environmental issues related to company's operational.</li> <li>• The company has adequate facilities and infrastructure of fire.</li> <li>• There are no negative issues such as fires.</li> <li>• CSR programs are considered good and reported every semester.</li> <li>• When there is a request for information from the agency, it has received a good response from the company.</li> </ul>	<p>This has in accordance with criteria 1.1, 2.1, 2.2, 5.5 and 6.11</p>
<b>Environmental Agency of Langkat District</b> <ul style="list-style-type: none"> <li>• The company has an environmental permit.</li> <li>• The company has a permit for Land Application (LA) that has expired and is still in the process of renewal.</li> <li>• Hazardous waste permit is still valid.</li> <li>• The Company regularly reports mandatory reporting such as hazardous waste report and report of Environmental Management Plan – Environmental Monitoring Plan..</li> <li>• There are no issues about environmental pollution or fire at PT Lonsum –Turangie.</li> </ul>	<p>This has in accordance with criteria 4.4, 5.1, 5.3 and 5.5</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<b>National Land Agency</b> <ul style="list-style-type: none"> <li>There is no delivery report on the Utilization of HGU to BPN based on regulation ATR No.7/2017.</li> <li>There is no information regarding the addition of new location permits, HGU, and HGB.</li> <li>There is no information that can be obtained regarding land disputes.</li> </ul>	This has in accordance with criteria 2.2 and 2.3
<b>Community leaders in the sub-district of Bahorok, Salapian Village, Village Head of Bungara Plantation, Bungara Plantation Village, Turangie Village.</b> <ul style="list-style-type: none"> <li>The community can explain assistance to the villages given from companies such as clean water assistance, construction of religious facilities, heavy equipment, ambulances, transportation, construction of multipurpose community buildings.</li> <li>There is a request for information related to the request for assistance in the construction of PAM SIMAS (Community Water and Sanitation Infrastructure) which was sent around October 2017 and a letter of addition to the charitable land area in January 2018 from Turangie Village. This is still not clearly informed about the response from the company.</li> <li>The company has established good relations with the community.</li> <li>Opportunities for job vacancies in companies can be prioritized for local communities around the company.</li> <li>The public does not yet know the new company communication officer, so far more communication through the Public Relations. In addition, the mechanism for delivering information known to the public is still limited to direct communication and through proposals.</li> </ul>	<ul style="list-style-type: none"> <li>The company shows documentation of the realization of CSR programs in 2017-2018 which is a form of social responsibility and a form of realization of social monitoring.</li> <li>A list of requests for information is contained in the recapitulation indicated by the company. All requests for information have been responded to in accordance with the procedure (14 working days).</li> <li>The company is always open in information on labor needs, especially priorities for the community around the company. This can be seen from the number of workers of approximately 60% coming from communities around the company.</li> <li>There is a replacement of new communication officers such as the Appointment of Edi Halomoan Sipayung 200900850 through internal memorandum No.275 / PRE / DIV / XII / 2018 from EM Pulau Rambung regarding Appointment as Public Relations Officer (<i>Humas</i>) starting December 3, 2018.</li> </ul>
<b>CV Melati (Director) – Building Contractor and Fire Tower</b> <ul style="list-style-type: none"> <li>Collaboration includes construction of employee houses and fire towers</li> <li>Project acquisition is done through a tender and afterwards a work agreement is made from</li> <li>The work agreement has been understood and agreed upon by both parties</li> <li>Always get socialization about OHS. Before carrying out work</li> <li>The obligation of PPE contractor workers is the responsibility of CV Melati</li> </ul>	<ul style="list-style-type: none"> <li>Has been verified in 6.10.3 and 6.10.4</li> <li>Has been verified in 4.8.2</li> <li>Provision of PPE is the responsibility of the contractor as stated in the employment agreement</li> </ul>
<b>Worker Cooperative Turangie Oil Mill, Turangie Estate, Bungara Estate and Pulau Rambung Estate</b> <ul style="list-style-type: none"> <li>Annual Meeting of Members 2017 was conducted</li> <li>The activity is savings and loan</li> </ul>	<ul style="list-style-type: none"> <li>Based on the results of the document review, it is known that the last Annual Member Meeting of the</li> </ul>

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>There is no negative issue related to workforce</li> </ul>	<p>"Koperasi Karyawan Perkasa" for the Bungara Estate unit was conducted on December 23, 2016 for the period of 2016. For 2017 it has not been conducted.</p> <p>There is no negative issues cause by CH operation activities. CH has comply with RSPO standard criteria 6.6.</p>
<p><b>Labor Union of Turangie Oil Mill, Turangie Estate, Bungara Estate and Pulau Rambung Estate</b></p> <ul style="list-style-type: none"> <li>There are no more family members (wives or children) who help with harvest work such as the loose fruit picking. Regarding family members who helped with harvesting work without the existence of a working relationship with the company, the labor union felt that this would actually make harvesters' income and FFB production decline.</li> <li>Overtime is voluntary without coercion and based on agreement</li> <li>Any changes and revisions related to company regulations or other policies such as changes in crop premiums have been clearly informed.</li> <li>Daily paid workers are not members of labor unions but the rights of daily paid workers continue to follow (have been accommodated) in the Collective Labor Agreement.</li> <li>The labor union from PT LONSUM attended and signed an agreement in making a Collective Labor Agreement with the BKS. PPS.</li> <li>The labor union states that there are no issues regarding the provision and replacement of employee PPE. PPE has been the responsibility of the company both regarding the supply and replacement of damaged PPE.</li> <li>Employees already know the mechanism for submitting complaints or complaints to management. Complaints can be made directly to superiors or delivered directly to worker representatives.</li> <li>There were no identified complaints related to discrimination.</li> <li>There is no negative issue of workforce for period 2017 – 2018, including child labor issue and wages.</li> <li>The most recent Collective Labor Agreement has been completed but has not yet been ratified and issued, so the previous period of collective labor agreement is still valid. The company shows a letter from the BKS PPS dated November 1, 2018 which explains that the collective labor agreement for 2018 – 2020 has not yet been issued because it is still in the registration process in the Indonesian Ministry of Manpower, so the 2015 – 2017 collective labor agreement is still valid.</li> </ul>	<ul style="list-style-type: none"> <li>According to applicable regulations, everyone who works must have a working relationship</li> </ul> <p>There is no negative issues cause by CH operation activities. CH has comply with RSPO standard criteria 2.1, 6.5, 6.6, 6.7 and 6.8.</p>
<p><b>Committee Gender of Bungara Estate, Pulau Rambung Estate, Turangie Estate and Turangie Oil Mill</b></p>	

Public Issues (Institution/ NGO/Community)	Auditor Verification
<ul style="list-style-type: none"> <li>• Menstruation rights and maternity leave rights may be made in accordance with the results of a doctor / nurse examination. These rights are contained in the company's policies and regulations.</li> <li>• There are no cases of sexual harassment</li> <li>• There is no discrimination between female and male workers.</li> </ul>	<p>There is no negative issues cause by CH operation activities. CH has comply with RSPO standard criteria 4.7; 4.8 &amp; 6.9</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY
4.1	<p><b>Formal Sign-off of Assessment Findings</b></p> <p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <p>PT PP London Sumatra Indonesia, Tbk Head of ECSR &amp; HS Department</p>  <p><b><u>Muhammad Waras</u></b> Friday, 21 December 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Muhammad Rinaldi</u></b> Friday, 21 December 2018</p> </div> </div>

**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	Agriculture Agency	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
2	Manpower Agency	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
3	National Land Agency	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
4	Environment Agency	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
5	Salapian Village	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
6	Bungara Village	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
7	Turangie Village	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
8	Labor Union of Pulau Rambung Estate, Bungara Estate, Turangie Estate and Turangie Oil Mill	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
9	Gender Committee of Pulau Rambung Estate, Bungara Estate, Turangie Estate and Turangie Oil Mill	District of Langkat, Province of Sumatera Utara.		Interview	04 December 2018	✓	
10	Sawit Watch	Jakarta, Indonesia	Info@sawitwatch.or.id	Questionnaire	16 November 2018		✓
11	Wahana Lingkungan Hidup Indonesia	Jakarta, Indonesia	informasi@walhi.or.id	Questionnaire	16 November 2018		✓
12	AMAN	Jakarta, Indonesia	rumahaman@cbn.net.id	Questionnaire	16 November 2018		✓
13	WWF	Jakarta, Indonesia	support@wwf.co.id	Questionnaire	16 November 2018		✓
14	Internal Stakeholder 1 WWTP Operator 1 Land Application Officer	Turangie Oil Mill		Interview	04 December 2018		

	1 Weightbridge Officer 2 Security 1 Production Department officer 1 WTP officer 2 grading officers 1 sterilizer operator 1 Clarification operator 1 Boiler operator 1 Engine Room operator						
15	Internal Stakeholder 5 Spraying worker 4 P n D Officer 1 Composting foreman 7 mature upkeep worker	Pulau Rambung Estate		Interview	04 December 2018		✓
16	Internal Stakeholder 3 Spraying worker 3 Harvester 1 P n D Officer	Bungara Estate		Interview	05 December 2018		✓
17	Internal Stakeholder 5 weeding manual workers 2 harvester 3 loading worker	Turangie Estate		Interview	04 December 2018		✓



**Appendix 2. Assessment Program**

DATE	03-07 December 2018	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 03 December 2018		
05.30 - 08.00	Jakarta → Medan (Kualanamu)	All Team
09.00 – 12.30	Medan (Kualanamu) → Site (Turangie POM)	
12.00 – 14.00	LUNCH BREAK	
14.00 – 14.30	Opening Meeting (Brief Introduction, Audit scope confirmation, Standards Use, Audit Objectives and Audit Agenda Explanation)	
14.30 – 17.00	Document Review a. Review of Previous Visit Non-conformance b. Collect Basic Information (Mill and Estates) c. Time bound plan and partial certification	
Tuesday, 04 December 2018		
08.00 – 12.00	Public Consultation: <ul style="list-style-type: none"><li>Related Government Institution &amp; Local NGO (Kab. Langkat)</li><li>Communities &amp; Land Previous Owner (Bungara Village and Turangie Village)</li><li>Workers Cooperative, Labor Union, Gender Committee, local contractor (FFB &amp; CPO/PK transportir)</li></ul> Field Observation PULAU RAMBUNG ESTATE <ul style="list-style-type: none"><li>Legal Operational (Boundary stone, land use), Conservation (HCV Area)</li><li>Best Agricultural Practices (Spraying, Harvesting, Integrated Pest Management, Slope area, transporter)</li><li>Worker Facilities (housing, health facility, water, electrical, etc) and domestic waste management</li><li>Workshop, Chemical Storage, Hazardous Waste storage, Land Fire facility</li></ul>	<ul style="list-style-type: none"><li>RAH</li><li>MRD / HRK</li><li>DWH / AFF</li></ul> <ul style="list-style-type: none"><li>AFF &amp; DWH</li></ul>
12.00 – 14.00	LUNCH BREAK	
14.00 – 17.00	Field Observation TURANGIE POM <ul style="list-style-type: none"><li>Supply Chain verification (FFB Receiving, Weighbridge,)</li><li>FFB Sorting, Processing Activity, Despatch CPO</li><li>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond, Land Application)</li></ul> Document Review and Verification of field visit & Interview	<ul style="list-style-type: none"><li>All Team</li></ul>
Wednesday, 05 December 2018		
08.00 - 12.00	Field Observation BUNGARA ESTATE <ul style="list-style-type: none"><li>Legal Operational (Boundary stone, land use), Conservation (HCV Area)</li></ul>	<ul style="list-style-type: none"><li>All Team</li></ul>

DATE	03-07 December 2018	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	<ul style="list-style-type: none"> <li>Best Agricultural Practices (Spraying, Harvesting, Integrated Pest Management, Slope area, transporter)</li> <li>Worker Facilities (housing, health facility, water, electrical, etc) and domestic waste management</li> <li>Workshop, Chemical Storage, Hazardous Waste storage, Land Fire facility</li> </ul>	
14.00 – 17.00	<b>LUNCH BREAK</b>  <b>Continue Field Observation and outstanding issue, Document Review and Verification of field visit &amp; Interview</b>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
<b>Thursday, 06 December 2018</b>		
08.00 - 12.00	<b>Field Observation TURANGIE ESTATE</b> <ul style="list-style-type: none"> <li>Legal Operational (Boundary stone, land use), Conservation (HCV Area)</li> <li>Best Agricultural Practices (Spraying, Harvesting, Integrated Pest Management, Slope area, transporter)</li> <li>Worker Facilities (housing, health facility, water, electrical, etc) and domestic waste management</li> <li>Workshop, Chemical Storage, Hazardous Waste storage, Land Fire facility</li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
12.00 – 14.00	<b>BREAK</b>	
14.00 – 17.00	<b>Continue Field Observation and outstanding issue, Document Review and Verification of field visit &amp; Interview</b>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
<b>Friday, 07 December 2018</b>		
08.00 - 10.00	<ul style="list-style-type: none"> <li><b>Closing Meeting</b></li> </ul>	<ul style="list-style-type: none"> <li>All Team</li> </ul>
10.00 – 15.00	<ul style="list-style-type: none"> <li><b>Site (Turangie POM) → Medan</b></li> </ul>	
17.00 – .....	<ul style="list-style-type: none"> <li><b>Medan (Kualanamu) → JAKARTA</b></li> </ul>	