

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

**[ ✓ ] Surveillance**

Name of Management : **PT Arindo Trisejahtera subsidiary of First Resources Ltd.**  
 Organisation  
 Plantation Name : **PT Arindo Trisejahtera, Petapahan 1 Estate & Petapahan 2 Estate**  
 Location : **Village of Rimba Beringin, Sub District of Tapung Hulu, District of  
Kampar, Province of Riau, Indonesia**  
 Certificate Code : **MUTU-RSPO/113**  
 Date of Certificate Issue : **25 May 2018**                      Date of License Issue : **25 June 2019**  
 Date of Certificate Expiry : **24 May 2023**                      Date of License Expiry : **24 May 2020**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1	11 to 15 March 2019	Andi Pratama Pasaribu (Lead Auditor), Steve Mualim, Satria Adi Putra, Rindu Reza Galih Rachmansyah	Ardiansyah	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-1	15 May 2019

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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. Arindo Trisejahtera

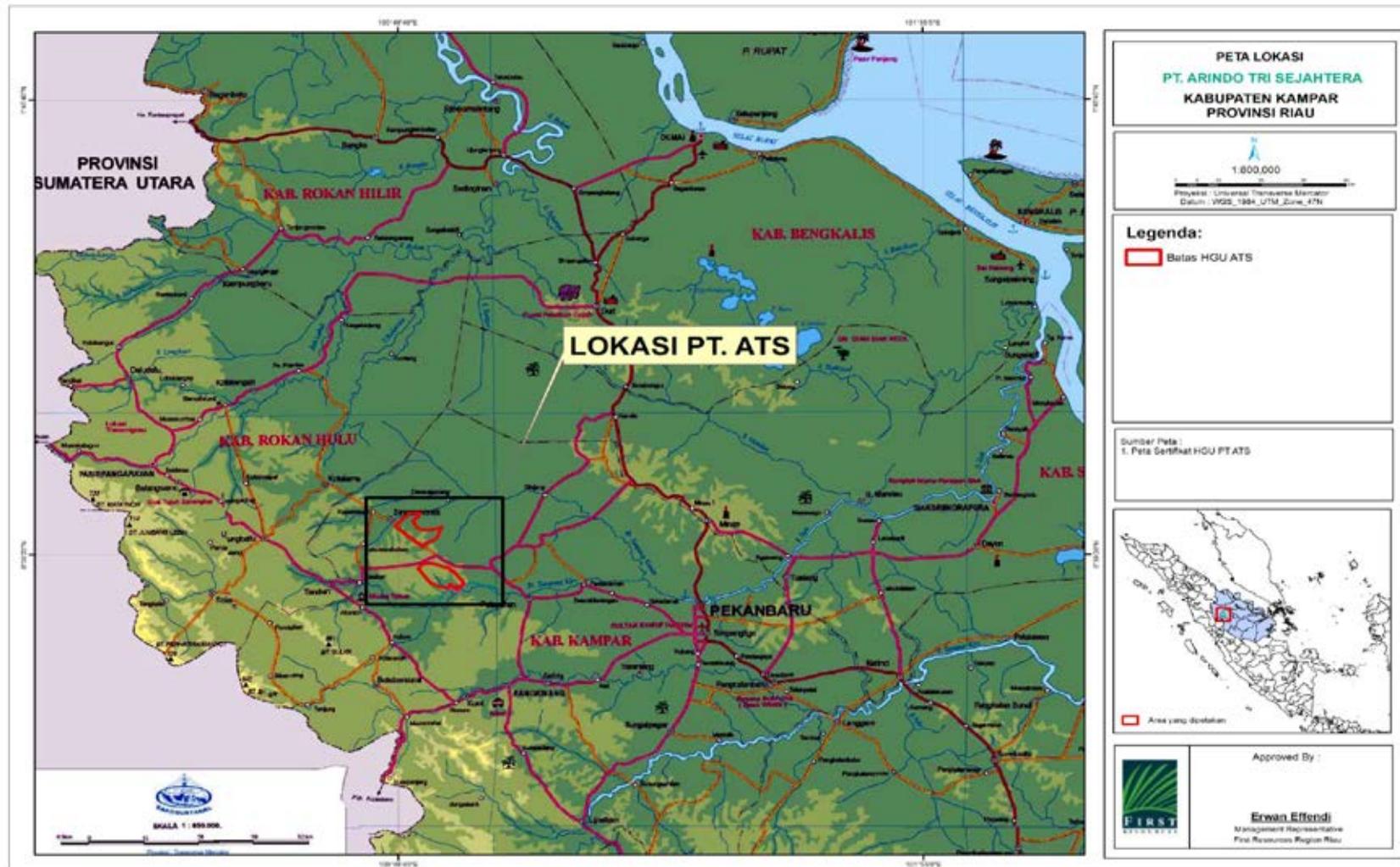
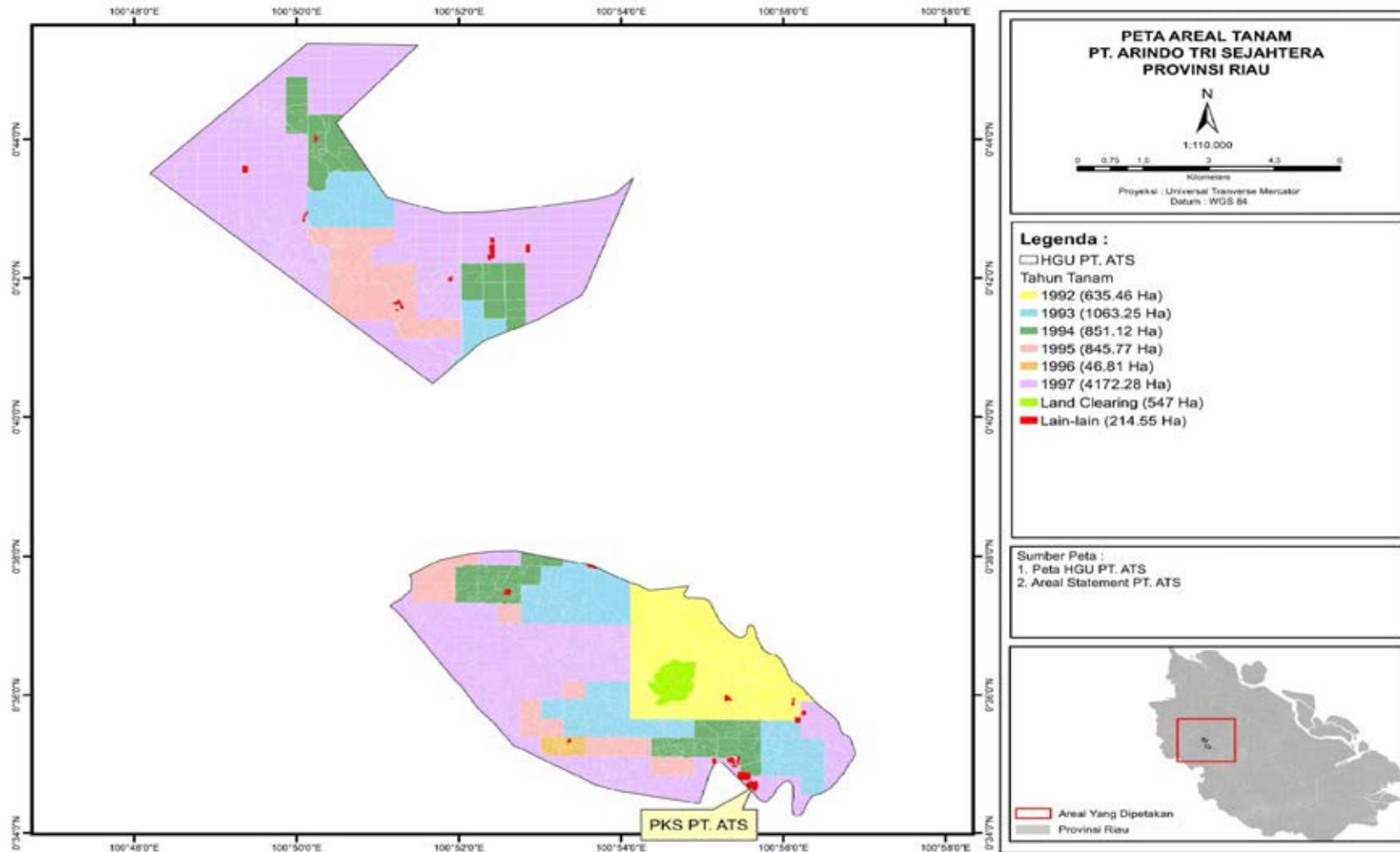


Figure 2. Operational Map of PT. Arindo Trisejahtera



**Abbreviations Used**

APD / PPE	:	<i>Alat Pelindung Diri / Personal Protective Equipment</i>
ASA	:	Annual Surveillance Assessment
ATS	:	Arindo Trisejahtera
B3	:	<i>Bahan Beracun dan Berbahaya / Hazardous Material</i>
BPN	:	Badan Pertanahan Nasional / National Land Agency
CD	:	Community Development
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
DPPL	:	<i>Dokumen Pengelolaan dan Pemantauan Lingkungan / Document of Environment Management and Monitoring</i>
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha / Land use Right</i>
IUP	:	<i>Izin Usaha Perkebunan / Plantation Business Permit</i>
IPAL (WWTP)	:	<i>Instalasi Pengelolaan Air Limbah (Wastewater Treatment Plant)</i>
JAMSOSTEK	:	Jaminan Sosial Tenaga Kerja / Social Security Agency
Jankos / EFB	:	Janjangan Kosong / Empty Fruit Bunch
K3 / OHS	:	Keselamatan dan Kesehatan Kerja / occupational Health and Safety
KER	:	Kernel Extraction Rate
LA	:	Land Application
LPUP	:	<i>Laporan Perkembangan Usaha Perkebunan / Plantation Business Report</i>
MSDS	:	Material Safety Data Sheet
NGO	:	Non Governmental Organization
OER	:	Oil Extraction Rate
OFI	:	Opportunity for Improvement
QS	:	Quality Standard
P2K3	:	<i>Panitia Pembina Keselamatan dan Kesehatan Kerja (Committee of Occupational Safety &amp; Health)</i>
PHT (IPM)	:	<i>Pengendalian Hama Terpadu (Integrated Pest Management)</i>
PIL	:	<i>Penyajian Informasi Lingkungan (Presentation of environmental information)</i>
PK	:	Palm Kernel
POM	:	<i>Pabrik Kelapa Sawit (Palm Oil Mill)</i>
POME	:	Palm Oil Mill Effluent
PT ATS	:	PT Arindo Trisejahtera
RKL/RPL	:	<i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (Environmental Management Plan / Environmental Monitoring Plan)</i>
RSPO	:	Roundtable on Sustainable Palm Oil
SIA	:	Social Impact Assessment
SIO	:	Surat Ijin Operator (Operator License)
SOP	:	Standard Operating Procedure
ST-1	:	Stage 1
ST-2	:	Stage 2
TBS (FFB)	:	<i>Tandan Buah Segar (Fresh Fruit Bunch)</i>
TPAS	:	<i>Tempat Pembuangan Akhir Sampah / Landfill</i>
TPS LB3	:	<i>Tempat Penyimpanan Sementara Bahan Berbahaya dan Beracun (B3) / Temporary Storage of Hazardous Waste</i>
TSS	:	Total Suspended Solid
WLTk	:	<i>Wajib Lapo Tenaga Kerja / Labor Report</i>
WTP	:	Water Treatment Plant

<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>		
	<ul style="list-style-type: none"> <li>• Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF (Indonesian National Interpretation Task Force) July 2016, endorsed by the RSPO Board of Governor 30<sup>th</sup> September 2016.</li> <li>• RSPO Certification Systems for Principles &amp; Criteria June 2017. Endorsed by the RSPO Board of Governors on 14<sup>th</sup> of June 2017</li> <li>• The RSPO Supply Chain Certification Standard for Organization seeking or holding certification adopted by the RSPO Board of Governors on 21 November 2014 (Revised on 14 June 2017).</li> </ul>		
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	PT Arindo Trisejahtera subsidiary of First Resources Limited	
1.2.2	Contact person	Bambang Dwi Laksono	
1.2.3	Organisation address and site address	<b>Head Office:</b> 8 Temasek Boulevard #36-02, Suntec Tower Three, Singapore, 038988	
1.2.4	Telephone	+65 6602 0200	
1.2.5	Fax	+65 6333 6711	
1.2.6	E-mail	bambang.dwilaksono@first-resources.com	
1.2.7	Web page address	www.first-resources.com	
1.2.8	Management Representative who completed the application for certification	Bambang Dwi Laksono	
1.2.9	Registered as RSPO member	1-0047-08-000-00 (10 March 2008)	
<b>1.3</b>	<b>Type of Assessment</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base Arindo Trisejahtera Mill, Petapahan 1 Estate, Petapahan 2 Estate	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Arindo Trisejahtera POM	Rimba Beringin Village, Tapung Hulu Subdistrict, Kampar District, Riau Province, Indonesia	N 0° 34' 50"      E 100° 55' 34"
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Petapahan 1	Rimba Beringin Village, Tapung Hulu Subdistrict, Kampar District, Riau Province, Indonesia	N 0° 34' 51"      E 100° 55' 29"
	Petapahan 2	Senamanenek Village, Tapung Hulu Subdistrict, Kampar District, Riau Province, Indonesia	N 0° 42' 18"      E 100° 51' 57"

<b>1.5</b>	<b>Description of Area Statement</b>						
1.5.1	Tenure						
	• State	8,376.24 Ha					
	• Community	Ha					
1.5.2	<b>Area Statement</b>						
	• Total area	8,376.24 Ha					
	• Mature area	6,901.21 Ha					
	• Replanting 2018-2019	1,260.48 Ha					
	• Mill	11.64 Ha					
	• Infrastructure (Emplishment, road, drainage)	187.37 Ha					
	• Nursery	15.54 Ha					
	*HCV (riparian zone and cemetery include in planted area) is 26.6 Ha						
<b>1.6</b>	<b>Planting Year and Cycles</b>						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage (Ha)					
		Petapahan 1	Petapahan 2	Total			
	<b>Mature Area</b>						
	1993	683.49	347.25	1030.74			
	1994	390.92	451.50	842.42			
	1995	363.8	517.50	881.30			
	1996	46.81	0.00	46.81			
	1997	1456.47	2643.47	4099.94			
	<b>Subtotal</b>	<b>2,941.49</b>	<b>3,959.72</b>	<b>6,901.21</b>			
	<b>Immature Area</b>						
	2018	942.54	-	942.54			
	2019	317.94	-	317.94			
	<b>Subtotal</b>	<b>1,260.48</b>	<b>0</b>	<b>1,260.48</b>			
	<b>TOTAL</b>	<b>4,201.97</b>	<b>3,959.72</b>	<b>8,161.69</b>			
1.6.2	New Planting area after January 2010		- Ha				
1.6.3	Planting Cycle		2 <sup>nd</sup> Cycle				
<b>1.7</b>	<b>Description of Mill and Supply Base</b>						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	ATS POM	45	148,286.45	28,555.66	19.25	8,549.10	5.76
	<i>*Production data source from March 2018- February 2019</i>						

1.7.2	Description of Certification Scope of Supply Base							
	<b>Name of Estate</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/ year)</b>	<b>Supplied to Mill</b>		
						<b>FFB (tonnes/year)</b>	<b>%</b>	
	Petapahan 1 Estate	4,344.77	4,201.97	63,809.98	15.19	63,809.98	100	
	Petapahan 2 Estate	4,031.47	3,959.72	80,348.91	20.29	80,348.91	100	
	<b>TOTAL</b>	<b>8,376.24</b>	<b>8,161.69</b>	<b>144,158.89</b>	<b>17.66</b>	<b>144,158.89</b>	<b>100</b>	
	<i>*Production data source from March 2018 - February 2019</i>							
1.7.3	FFB description from other source							
	<b>Name of sources/Organisation</b>	<b>Type of Organisation</b>	<b>Number of smallholders</b>	<b>Production Area (Ha)</b>	<b>Supplied to Mill</b>			
					<b>FFB (tonnes/year)</b>			
	PT Riau Agung Karya Abadi (Non-certified)	Independent supplier	-	-	4,127.56			
	<b>TOTAL</b>				<b>4,127.56</b>			
	<i>*Production data source from March 2018 - February 2019</i>							
1.7.4	Product categories			<b>FFB, CPO, PK</b>				
<b>1.8</b>	<b>Tonnage of Product</b>							
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim (tonnes/year)		Last Year Actual Certified Product (tonnes/year)			
	• FFB Production		162,711		113,910			
	• CPO Production		31,729		21,787			
	• Palm Kernel (PK) Production		8,949		6,566			
<b>1.8.2</b>	Product selling							
	Tonnage of selling product		Period of Actual Selling Product for Last Year (MT)					
	• CSPO sold as RSPO certified product		-					
	• CSPK sold as RSPO certified product		-					
	• CSPO sold under other scheme		21,784					
	• CSPK sold under other scheme		-					
	• CSPO sold as conventional		-					
	• CSPK sold as conventional		6,565					
1.8.3	Estimate of Certified FFB Claim							
	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>			
	Petapahan 1 Estate	4,344.77	4,201.97	61,742	14.19			
	Petapahan 2 Estate	4,031.47	3,959.72	71,858	18.14			
	<b>TOTAL</b>	<b>8,376.24</b>	<b>8,161.69</b>	<b>133,500</b>	<b>16.11</b>			
	<i>*Projected FFB production for period 25 May 2019 to 24 May 2020</i>							
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	

ATS POM	45	133,500	25,718	19.25	7,748	5.8	MB
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*\*Projected CSPO and CSPK production for period 25 May 2019 to 24 May 2020*

<b>1.9</b>	<b>Other Certifications</b>	
	Indonesia Sustainable Palm Oil (ISPO)	Certificate No. 001/MHI-ISPO on 15 January 2014-15 January 2019 by Mutu Hijau Indonesia
	ISCC	Certificate Number EU-ISCC-Cert-ID218-20180062, valid on 15.07.2018 to 14.07.2019
	Proper	PROPER with "Blue" Rank on 2017 by Environment Ministry

**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				
PT. Arindo Trisejahtera	2018	PT. Arindo Trisejahtera	2018	Riau	Certified
PT Meridan Sejatisurya Plantation	2018	PT Meridan Sejatisurya Plantation	2018	Riau	Certified
PT Surya Intisari Raya	2018	PT Surya Intisari Raya	2018	Riau	Planned
PT Swadaya Mukti Prakarsa	2021	PT Swadaya Mukti Prakarsa	2021	Kalimantan Barat	Planned
PT Perdana Intisawit Perkasa	2018	PT Perdana Intisawit Perkasa	2018	Riau	Planned
PT Pancasurya Agroindo	2018	PT Pancasurya Agroindo	2018	Riau	Planned
PT Subur Arum Makmur	2019	PT Subur Arum Makmur	2019	Riau	Audited
PT Limpah Sejahtera	2021	PT Limpah Sejahtera	2021	Kalimantan Barat	-
PT Muriniwood Indah Industry	2020	PT Muriniwood Indah Industry	2020	Riau	-
PT Ciliandra Perkasa	2022	PT Ciliandra Perkasa	2022	Riau	-
PT Umekah Sari Pratama	2023	PT Umekah Sari Pratama	2023	Kalimantan Barat	-
PT Pulau Tiga Lestari Jaya	2023	PT Pulau Tiga Lestari Jaya	2023	Kalimantan Barat	-
PT Borneo Surya Mining Jaya	2024	PT Borneo Surya Mining Jaya	2024	Kalimantan Barat	-
PT Ketapang Agro Lestari	2024	PT Ketapang Agro Lestari	2024	Kalimantan Barat	-
PT Borneo Persada Energy Jaya	2024	PT Borneo Persada Energy Jaya	2024	Kalimantan Barat	-
PT Mitra Karya Sentosa	2025	PT Mitra Karya Sentosa	2025	Kalimantan Barat	-
PT Citra Agro Kencana	2025	PT Citra Agro Kencana	2025	Kalimantan Timur	-
PT Maha Karya Bersama	2025	PT Maha Karya Bersama	2025	Kalimantan Timur	-

PT Bumi Sawit Perkasa	2026	PT Bumi Sawit Perkasa	2026	Riau	-
PT Priatama Riau	2026	PT Priatama Riau	2026	Riau	-
PT Surya Dumai Agroindo	2026	PT Surya Dumai Agroindo	2026	Riau	-
PT Gerbang Sawit Indah	2027	PT Gerbang Sawit Indah	2027	Riau	-
PT Borneo Ketapang Permai	2027	PT Borneo Ketapang Permai	2027	Kalimantan Barat	-
PT Karya Tama Bakti Mulia	2027	PT Karya Tama Bakti Mulia	2027	Riau	-
PT Falcon Agri Persada	2027	PT Falcon Agri Persada	2027	Kalimantan Barat	-
<p>The change of time bound plan are due to the complaint on RSPO Complaints Panel from Mei 2015 until April 2018. Based on justification known that:</p> <ul style="list-style-type: none"> <li>• The company with TBP on 2023 to 2024 is on going to develop a mill</li> <li>• The company with TBP on 2025 to 2027 is estate without mill</li> </ul>					
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	PT Arindo Trisejahtera does not have associated smallholders and outgrowers.				

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-1</b>	<p><b>Andi Pratama Pasaribu (Lead Auditor).</b> Indonesian citizen. Bachelor degree, majoring social economy. He has several of work experiences (more than 5 years) as the operational staff since 2008. He has been followed the Training of Lead Auditor Indonesian Sustainable Palm Oil (ISPO) which was held by ISPO Commission in 2013 and Training of Lead Auditor Roundtable on Sustainable Palm Oil (RSPO) by Proforest and Daemeter in 2016. He has been attended several kinds of training related to sustainability palm oil audit such as High Conservation Value (HCV) Training, Lead Auditor ISO 9001:2008, Lead Auditor ISO 14001:2005, auditor OHSAS, lead auditor RSPO supply chain by BMTRADA etc. He has some experiences of RSPO audit in Indonesian palm oil in aspect of best management practices, land legality, environmental, social and worker welfare aspect. During this audit, he verify transparencies, long term business plan and supply chain.</p> <p><b>Satria Adi Putra (Auditor).</b> Indonesian citizen, Diploma III majoring in Palm Oil Plantation. Have experience of work more than six years since 2009 as the operational staff of private oil palm plantations in Indonesia. Training have been followed including Occupational Health and Safety Expert, Orang Utan and Wildlife Management, ISPO Auditor Training, RSPO lead auditor, RSPO Awareness, IHT Potential Mapping and Conflict Resolution in Production Forests, OHSAS 18001, Lead Auditor Training for ISO 9001, ISO 14001, ISO 17021, ISO 17065, ISO 19011 and ISO 22000. During this audit, he assigned to audit in aspect related to best management practices for Mill and Estate.</p> <p><b>Rindu Galih Rezza Rachmansyah (Auditor Trainee).</b> Indonesian citizen, Bachelor of Agriculture department of plant and pest disease (Agrotechnology). He has 1 year experience as Field Expert in Pesticide Company and 3 years experience in Industrial Forest Management, Forest Rehabilitation and Reklamation on BUMN Indonesia as Assistant. Training which had attended including Training Lead Auditor ISO 9001, ISO 14001, ISO 17021, ISO 19011, Training ISPO, RSPO lead auditor, RSPO awareness, RaCP and NPP awareness for RSPO, OHSAS 18001 : 2007. During this audit, he assigned to support to verify aspect related to transparency and worker welfare.</p> <p><b>Steve Mualim (Auditor).</b> Indonesia citizen. Master of Environmental and Natural Resources Management. Has experience as Environmental management consultant (2012) and Sustainable palm oil assurance auditor since 2013. Has been attended several trainings e.g. : ISCC in house training, palm oil GHG emission, HCV management, ISPO lead auditor, RSPO lead auditor, labor and human rights issues, ISO 19011, and ISO 9001:2008. Has been conducted several audits for RSPO / ISPO scheme since 2013 for best management practices, conservation, and environmental management. Fluent in Bahasa and Chinese mandarin. At this time of audit, verified aspects of environmental management, HCV, and GHG.</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-1</b>	<p>Number of auditors : 3 auditor and 1 auditor trainee          Number of days for <b>ASA-1</b> at site : 5 days          Number of working days for <b>ASA-1</b> at site : 15 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-1</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Arindo Trisejahtera- ATS POM to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Rev June 2017 (Module E for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, 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-1 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (<b>ASA-2</b>). Improvement of findings from main assesment findings were observed by auditors at this ASA-1 assessment. All information obtained was recorded in</p>

	Check List of PT Mutuagung Lestari (MUTU) and part of ASA-1. The assessment program please find Appendix 2
<b>2.2.3</b>	<b>Locations of Assessment</b>
<b>ASA-1</b>	<p><b>Petapahan 1 estate</b></p> <ol style="list-style-type: none"> <li>1. <b>Boundary Pole Number IV (Block B158), Number. AT133 (Block 155A) and Number. AT131 (Block 130).</b> Observation of demarcation area and it maintain.</li> <li>2. <b>Riparian of Kampar River riparian, Block 149.</b> Observation of conservation management such as nonchemical application sign.</li> <li>3. <b>Workers housing AFD IV.</b> Observation for workers facilities, OHS, and waste management</li> <li>4. <b>Landfill AFD IV block 15.</b> Observation for domestic waste management</li> <li>5. <b>Workers housing AFD II.</b> Observation for workers facilities, OHS, and waste management.</li> <li>6. <b>Landfill block 138 AFD II.</b> Observation for domestic waste management</li> <li>7. <b>Clinic.</b> Observation for workers facilities, OHS, and waste management</li> <li>8. <b>Central chemical store.</b> Observation for OHS, and material handling</li> <li>9. <b>Pesticides mixing area.</b> Observation for OHS and agrochemical waste management</li> <li>10. <b>PPE store for spraying team.</b> Observation for OHS and workers facilities</li> <li>11. <b>Workshop.</b> Observation for OHS and waste management</li> <li>12. <b>Landfire facilities store and emergency response team simulation.</b> Observation for land fire facilities and emergency response team</li> <li>13. <b>Lubricants store.</b> Observation for material handling and OHS</li> <li>14. <b>Diesel fuel tank.</b> Observation for material handling and OHS</li> <li>15. <b>Riparian of Kampar River riparian, Block 149.</b> Observation of conservation management such as nonchemical application sign.</li> <li>16. <b>Nursery, Block 117, Afdeling I.</b> Field visits related to handling and agronomic techniques in nursery activities.</li> <li>17. <b>Replanting, Block 90A, Afdeling I.</b> Field observation related replanting activity and LCC planting to land cover.</li> <li>18. <b>Harvesting, Block 125/126, Afdeling III.</b> Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.</li> <li>19. <b>Spray Circle &amp; Path, Block 145, Afdeling II.</b> Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra feeding, PPE, labor aspect and environment.</li> <li>20. <b>Land Application, Blok 141, Afdeling II.</b> Observation and interview related land application, PPE of worker and environment protection.</li> <li>21. <b>Beneficial Plant, Block 125, Afdeling II.</b> Observation related Integrated Pest Management.</li> <li>22. <b>Road Maintenance, Block 141, Afdeling II.</b> Observation related road maintenance</li> </ol> <p><b>Petapahan 2</b></p> <ol style="list-style-type: none"> <li>1. <b>Boundary Pole Number 25 (Block 93), Number 04 (Block 74) and Number ATAS02 (Block G5).</b> Observation of demarcation area and it maintain.</li> <li>2. <b>Riparian of Hitam River riparian, Block 105.</b> Observation of conservation management such as nonchemical application sign.</li> <li>3. <b>Workers housing.</b> Observation for workers facilities, OHS, and waste management</li> <li>4. <b>Clinic.</b> Observation for workers facilities, OHS, and waste management</li> <li>5. <b>Pesticides mixing area.</b> Observation for OHS and agrochemical waste management</li> <li>6. <b>PPE store for spraying team.</b> Observation for OHS and workers facilities</li> <li>7. <b>Fertilizer store.</b> Observation for OHS, and material handling</li> <li>8. <b>Temporary hazardous waste store.</b> Observation for OHS and hazardous waste management</li> <li>9. <b>Central chemical store.</b> Observation for OHS, and material handling</li> <li>10. <b>Pesticides mixing area.</b> Observation for OHS and agrochemical waste management</li> <li>11. <b>PPE store for spraying team.</b> Observation for OHS and workers facilities</li> <li>12. <b>Lubricants store.</b> Observation for material handling and OHS</li> <li>13. <b>Diesel fuel tank.</b> Observation for material handling and OHS</li> <li>14. <b>Workshop.</b> Observation for OHS and waste management</li> <li>15. <b>Landfire facilities store and emergency response team simulation.</b> Observation for land fire facilities and</li> </ol>

- emergency response team
16. **Power house.** Observation for OHS and waste management
  17. **Riparian of Hitam River riparian, Block 105.** Observation of conservation management such as nonchemical application sign
  18. **Pest and Disease Census/Global Telling, Afdeling III.** Interviews on census mechanism, medical examination, PPE, and labor aspect.
  19. **Spray Circle & Path, Block 83, Afdeling II.** Interviews of spraying mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
  20. **Fertilizer, Afdeling I.** Interviews of fertilizer mechanism, work tools, chemicals used, doses used, medical examinations, extra fooding, PPE, labor aspect and environment.
  21. **Barn On Box (Gupon), Afdeling I.** Observation related integrated pest management.
  22. **Harvesting, Block 120, Afdeling II.** Observation and interviews with foremen and harvest workers related to work procedures, health insurance and labor protection, safe working practices and use of PPE.

**Arindo Trisejahtera POM**

1. **Security Gate.** Observation and interview with security officer regarding of receive and dispatch procedure.
2. **Weighbridge.** Observation and interview with weighbridge operator regarding of receive and dispatch procedure, certified and noncertified product recapitulation etc.
3. **Sparepart store.** Observation for material handling and OHS
4. **Temporary hazardous waste store.** Observation for OHS and hazardous waste management
5. **Water treatment plant.** Observation for water usage monitoring and OHS, and worker welfare
6. **Effluent pond.** Observation for palm oil mill effluent management and OHS
7. **Diesel fuel tank.** Observation for material handling and OHS
8. **Kernel Stations.** Observations and interviews with kernel station operators regarding employment, occupational safety and health and defined work procedures.
9. **Boiler Station.** Observations and interviews with boiler operators regarding labor, occupational safety and health and defined work procedures.
10. **Sterilizer Station.** Observation of application and interview with sterilizer operators related to SOP, OHS and employment.
11. **Press Station.** Observation of application and interview with press operators related to SOP, OHS and employment.
12. **Engine Room.** Observations and interviews with engine room operators on employment, occupational safety and health and defined work procedures.
13. **Loading Ramp Station.** Observation and Interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
14. **Hydrant No. 04 Simulation.** Observation for simulation of emergency facilities

**Stakeholder**

- **National Land Agency Kampar District.** Interview related land issue.
- **Environment Agency Kampar District.** Interviews related to environmental documents, environmental permits, environmental management and monitoring reporting, emission source management and environmental pollution issues, etc.
- **Plantation and Farm Agency Kampar District.** Interviews related to the assessment of plantation business; Owned business license (capacity and area of the estate), partnership with the community, corporate obligations of existing business licenses, peatland management, regional status, land use change, overlapping areas, land fires, etc.
- **Industry and Manpower Agency Kampar District.** Interviews related to Occupational Safety and Health, Employment and Industrial Relations.
- **Sumber Sari Village and Suka Ramai Village Community.** Interview the head of village and community representation related to social interaction between company and community surround, and another social issues.
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<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-1</b>	<p>Summary of stakeholder consultation process            Consultation of stakeholders for PT. Arindo Trisejahtera was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification on Mutu Certification website in February 25, 2019.</li> <li>• Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples on March 12 2019</li> <li>• Conducting visits and direct interviews with stakeholders (Environmental Agency; Labor Agency; National Land Agency and Plantation Agency of Kampar District) on 11 March 2019</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Arindo Trisejahtera</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ASA-2 will be determined eight to twelve months after date of certificate.

**3.0. ASSESSMENT FINDINGS**

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

MUTUAGUNG LESTARI has conducted an assessment of Arindo Trisejahtera POM, PT ARINDO TRISEJAHTERA subsidiary of First Resources Ltd operation consisting of one (1) mill and two (2) oil palm estates.

During the assessment, there were five (5) Nonconformities were assigned against Major Compliance; ten (10) nonconformities were assigned against Minor Compliance; and eleven (11) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidences. Those corrective actions taken that consist of five (5) Major non-conformities and three (3) Minor non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that PT Arindo Trisejahtera - ATS POM to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, Rev June 2017 (Module E 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> The company has a Communication Procedure with document No. FR.EMS.CIE Rev.02 dated 22 November 2018 which contains the types of information provided for public consumption including: <ul style="list-style-type: none"> <li>• Company Legality (Location Permit, Agriculture Business Permit or Land Title)</li> <li>• Environmental documents (environmental policies, environmental management documents, environmental management (RKL-RPL) reports, environmental achievement, identification and evaluation of environmental aspects and impacts, factory waste utilization permits, hazardous waste temporary storage permits)</li> <li>• Social documents (social activities, community relations, OHS policies, and OHS programs)</li> <li>• Continuous improvement (reducing the use of certain chemicals, reducing and utilizing waste, controlling environmental and social impacts)</li> <li>• RSPO and ISPO External Audit Reports</li> </ul> <p>In addition to the above information is information that cannot be accessed publicly, but if the information request letter is given has a clear purpose and reason and the information must be provided by the company because of government interests, the information can be provided by the company.</p> <p>The company has a list of stakeholders updated as of January 2019 as follows, District / Provincial Service, Village Head, Community Leaders, Cooperative, Supplier, FFB Supplier, other Company, and others. Based on interview with Community Surrounding, they've already know the person in charge for communication with stakeholder. Head of Administration (KTU) is in charge for providing and updating the list of stakeholder and communicating, and provide, update and response the information for stakeholders.</p>		

The company has not been able to show evidence that all mandatory reporting has been reported to relevant stakeholders (relevant government agencies), such as:

- Based on the results of a public consultation with the National Land Agency of the Kampar Regency, it is known that the company has not yet submitted a mandatory report on land use of the Land Title in 2018 in accordance with Regulation of Agrarian & Spatial Ministry No. 07 of 2017 concerning Arrangements & Procedures for Determining Land Title.
- Based on the results of the document review it is known that the company has routinely sent mandatory reports such as environment management, hazardous waste management, and monitoring and processing of LA wastewater to the relevant agencies. However, the company has not been able to show other mandatory reports such as the obligation to report the worker list report, recording workers with contract status and reporting the progress of the plantation business report to the relevant agencies.

**Non-Conformity No. 2019.01**

**1.1.2**

Procedure for respond to stakeholder is also written on Communication Procedure document No. FR.EMS.CIE Rev.02 dated 22 November 2018. It explains the kind of documents that can be accessed publicly and the time given to respond the request for information from stakeholders. Based on procedure, the time to respond to information is six month after a requesting information letter is received

The company was documented all of incoming and outgoing letter from stakeholder. Based on document verification of incoming letter and the respond by the certificate holder, until February 2019 for example there was an incoming information request, proposals, and invitation to attend meeting held by stakeholders. The company was respond these requested and the documentation of aid was showed.

**1.1.1 | Status: NC 2019.01 with minor category**

**1.2**

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

**1.2.1**

The company has a Communication Procedure with document No. FR.EMS.CIE Rev.02 dated 22 November 2018 which contains the types of information provided for public consumption including:

- Company Legality (Location Permit, Agriculture Business Permit or Land Title)
- Environmental documents (environmental policies, environmental management documents, environmental management (RKL-RPL) reports, environmental achievement, identification and evaluation of environmental aspects and impacts, factory waste utilization permits, hazardous waste temporary storage permits)
- Social documents (social activities, community relations, OHS policies, and OHS programs)
- Continuous improvement (reducing the use of certain chemicals, reducing and utilizing waste, controlling environmental and social impacts)
- RSPO and ISPO External Audit Reports

In addition to the above information is information that cannot be accessed publicly, but if the information request letter is given has a clear purpose and reason and the information must be provided

Based on interviews with Community Surrounding, known that the stakeholders understand how to obtain information from the company. The company maintains records of request for information and responses under “*Buku surat masuk dan surat keluar*” on each unit management. Based on document verification, there are information requests, proposals, and invitation to attend meeting held by stakeholders. The company was respond these requested and the documentation of aid was showed.

**Status: Comply**

**1.3**

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

**1.3.1**

The company has Circular Letter No. PH / SE / II / 2018 dated February 28, 2018 from the General Manager of the Plantation which contains the following provisions:

- Every employee must obey and comply with applicable legal rules including internal policies
- All employees must carefully manage every information that is their responsibility
- Employees are required to maintain the confidentiality of information and will not divulge such secrets except with the written consent of the authorities or on the orders of government officials based on applicable legislation
- Employees must guarantee the security of company confidential information in the form of, but not limited to: finance, strategic & business plans, and internal policies
- Avoid any conflict of interest in any form and personally always prioritize the company's business interests over personal interests or other parties
- Disclose if the employee has a business that competes or supplies, or has business activities that are the same as the company's business activities
- Not accepting and / or giving gifts and / or benefits of any kind from customers, suppliers and / or business partners related to their position within the company
- Do not use confidential company information and business data for interests outside the company
- And there are many other provisions.

Based on the results of interviews with labor union and local contractors, it was found that workers knew about the provisions of the company's Code of Conduct from bulletin boards located in office and residential locations. Meanwhile, local contractors are given Code of Conduct socialization at the time before signing a work agreement with the company to be able to comply with all the provisions contained in it.

**Status: Comply**

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

**2.1**

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

**2.1.1**

**Land legality and permit:**

The company has had land use title for 8,376.246 Ha area and plantation permit for 8,441.4 Ha with mill capacity 45 MT FFB/hour. All of land certificate, plantation permit and land acquisition document was kept in cabinet file of public affair department and each unit.

**Environmental**

- The company Has been implements the requirement of environment aspect such as EIA management and monitoring in routinely (refer to criteria 5.1) based on PP 27/2012
- Has been manage the hazardous waste and domestic waste in accordance with applicable regulation (refer to criteria 5.3). based on PP 101/2014
- The company has been conduct land application as nutrient cycle based on current land application permit No 503/DPM-PTSP.PEL/LA/2017/05.

**Worker Welfare**

- The company has applied a minimum wage in the wage system and is in accordance with Regulation of Manpower Ministry No. 07 of 2013 concerning Minimum Wages
- The company has provided overtime payment in accordance with Decree of Manpower Ministry No. 102 of 2004 concerning Overtime Work and Overtime Work Wages

**OHS**

The competencies of doctors and paramedics owned by companies that have attended Hiperkes training from the Ministry of Manpower and Transmigration are as follows:

- Certificate of Hiperkes No. 32.396 / DH-VIII / 13 in December 2013 for Dr. Ikhsan Eka Putra (doctor) who had attended Hiperkes training on the 16<sup>th</sup> – 21<sup>th</sup> September 2013 by the Occupational Health and Safety Center, Manpower and

Transmigration Office of West Sumatra Province.

- Certificate of Hiperkes No. 64 / BK3-MDN / VI / 2014 in June 2014 for Novridawati (paramedic) who had attended Hiperkes training on the 10<sup>th</sup> – 12<sup>th</sup> June 2014 by the Occupational Health and Safety Center, Manpower and Transmigration Office of West Sumatra Province.
- Certificate of Hiperkes No. 65 / BK3-MDN / VI / 2014 in June 2014 for Puji Rahayu (paramedics) who had attended the Hiperkes training on the 10<sup>th</sup> – 12<sup>th</sup> June 2014 by the Occupational Health and Safety Center, Manpower and Transmigration Office of West Sumatra Province.

**OHS License**

- Class 1 Boilerman License No. 6658.OPK3-PUBT-B.I / VII / 2014 for Herlan, which is valid until 06<sup>th</sup> July 2019.
- Class 1 Boilerman License No. 6659.OPK3-PUBT-B.I / VII / 2014 for Ahmad Ahmad Mirwan, which is valid until 06<sup>th</sup> July 2019.
- Class 1 Boilerman License No. 6660.OPK3-PUBT-B.I / VII / 2014 for Roni Hariyono which is valid until 06<sup>th</sup> July 2019.

The company has not been able to show evidence of compliance with relevant laws and regulations,, such as:

- Based on the results of observations and interviews with welders at Arindo Trisejahtera Mill it is known that workers do not yet have OHS license as welders. This is in line with the results of a document review that the company does not have a welder who has OHS license. This is not in accordance with Regulation of Manpower Ministry No. 02 of 1982 concerning Qualifications of Welder at Work.
- Based on observations and interviews with Engine Room Operators at Arindo Trisejahtera Mill it is known that workers do not have OHS license for Power and Production Machine. This is in line with the results of a document review that workers with OHS license for Power and Production aircraft have not been owned by the company. This is not in accordance with Regulation of Manpower Ministry No. 04 of 1985 concerning Power and Production Machine.
- Based on the results of observations and interviews with Dump Truck drivers at Arindo Trisejahtera Mill it is known that workers do not yet have OHS license for Lifting Aircraft. This is in line with the results of a document review that workers with OHS licenses for Transport and Lifting Engine have not been owned by the company. This is not in accordance with Regulation of Manpower Ministry No. 05 of 1985 concerning Transport and Lifting Engine.
- Based on observations at Arindo Trisejahtera Mill it is known that the company has an electrical installation with a production machine in the form of turbines and generators in the engine room station. However, the company does not have workers who have obtained an electric OHS license. This is not in accordance with Regulation of Manpower Ministry No. 12 of 2015 concerning Electricity K3.
- Based on the results of a review of the K3 license document for workers in the company, it is known that the company does not yet have workers with a K3 license for pressure vessel operators. This is not in accordance with Regulation of Manpower Ministry No. 37 of 2016 concerning Pressurized Operation and Lump Tank Operations.

**Non-Conformity No. 2019.02**

**2.1.2; 2.1.3, 2.1.4**

The company has an evaluation mechanism for implementing compliance with the regulations in the "Legal Requirements" procedure (FR.EMS.LRR), Issue No. 01, September 1, 2011, issued by Corporate Sustainability and approved by Corporate Sustainability Head and CEO. In it regulates: objectives, scope, definitions, responsibilities, procedures, references and attachments. In point 1.1 regarding the objectives it is stated that: this procedure illustrates how to identify and obtain access to regulations and voluntary guidelines that apply to the environmental aspects of company activities, production and services.

In the RSPO framework, this procedure also outlines how to identify access to regulations and voluntary guidelines for regulations relating to sustainable palm oil management. In point 3 regarding the procedure it is stated that: Corporate Sustainability Head is responsible for identifying voluntary regulations and requirements related to the environment and SPO that are applied to operations, products and services.

<b>2.1.1</b>	<b>Status: NC 2019.02 with major category</b>
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**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**

PT Arindo Trisejahtera has had land use title for **8,376.246 Ha** (separate in to four land title certificate) and plantation permit for **8,441.4 Ha** with mill capacity **45 MT FFB/hour**. All of this concession area comes from forest conversion and land acquisition from local people in 1993. All of land certificate, plantation permit and land acquisition document was kept in cabinet file of public affair department and each unit.

**2.2.2**

**Stage – 2 finding:**

*The company has not yet had a system/procedure regarding the maintenance of legal boundaries (such as maintenance period, personnel in charge, poles rehabilitation and so forth). **Noncompliance No. 2015.01 indicator minor***

The company has had work instruction regarding to boundary poles management (No. WI-KBN-PPB approved since 28 September 2016). Those document informed that boundary poles will be monitored monthly by security team, re-painting and weeding annually.

Based on field visit to Petapahan 1 and 2 estate to surveillance availability and maintenance of boundary poles found that difference between number of boundary poles in legal document and physical number in field. Besides that, the boundary poles poorly maintained (pole numbers and information are difficult to read and paint is faded). **Noncompliance No. 2015.01 indicator minor raised to major.**

**2.2.3; 2.2.4; 2.2.5; 2.2.6**

Based on interview with management and village representatives there was no indication of land dispute. It also informed by national land agency staff in Kampar District that there was no land dispute record at least in 5 year before. During the audit, auditor try to identify some ex land owner in Rimba Beringin and Sukaramai. However, some name in our interview list has been has died and some have moved to the another place.

The last dispute between the management (PT. Arindo Trisejahtera) with PT. Chevron Pacific Indonesia regarding on overlapped concession area. Through the legal process, the government decided to give land title of the area to PT. Arindo Trisejahtera in 2009. During the audit there is no significant conflict that disturbing the company operational.

Based on interview with community leaders from Rimba Beringin and Sukaramai Village mentioned that currently there is no land conflict that significantly disturb operational activity of the company. It also said that the company does not engage in violence and involving paramilitaries in maintaining operational security.

2.2.2

**Status: NC No. 2015.01 indicator minor raised to major category**

**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**

Based on document verification known that HGU area of PT. Arindo Trisejahtera come from forest release by government. During the audit, auditor has been interviewed the local people (village representatives) and land national agency's staff of Kampar District that informed there was no customary land In PT. Arindo Trisejahtera concession.

**2.3.2**

All land that was originated from the state forest has been released by the Ministry of Forestry. On said state forest there were a number of community-cultivated lands for which the company has paid the settlement as the compensation of the land clearing. Below is the total amount of compensation paid during the process of acquiring the land;

- Compensation payment for 94 residents of Petapahan Village for 333.3 hectares of land was IDR 82,775,000 paid in year 1991.
- Compensation payment for 66 residents of Lindai Village for 202.5 hectares of land was IDR 70,703,750 paid on 23 March 1991.
- Compensation payment for 136 residents of Lindai Village and Senamanenek Village for 502.1 hectares of land was IDR 328,125,000 paid on 1 February 1997.
- Compensation payment for 104 residents of Sukaramai Village for 417.62 hectares of land was IDR 92,962,650 paid

on 23 March 1991.

The documentation of the negotiation process is not complete, thus the company needs to ensure the copies of the agreement in the land provision process are available.

**2.3.3**

Based on interview with the general affairs manager revealed that the sharecropper community and the customary leaders have all involved in the negotiation process of the compensation with the community. During the negotiation process, all relevant information, including all related legal regulations, was presented in the form and language that were appropriate and easily understood by the community. Besides landowners / land sharecroppers, the customary leaders (*Ninik Mamak*) and village authorities were also present at the said event to witness the process and the payment.

**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**

The company has shown a long-term plan for the period 2019-2023 for PT Arindo Trisejahtera which includes management plan data such as the statement area (mature area, immature area, land clearing, arable land, reserve area, road, drainage, housing and others), plan for replanting, production plan (CPO / PK), sale of CPO and Kernel, total income and price of CPO/PK.

The short-term plan (budgeting) is discussed and approved by the top management, namely the Director and Managing Director based on the ceiling and corporate long-term planning. The company's long-term planning is arranged on a three and five year basis based on its annual and historical budgeting.

**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**

The company has shown a estate SOP consisting of 2 packages of Operational Best Practices Oil Palm Agronomy packages which were approved by the CEO on 1 July 2012. In addition, the company has shown that the procedures related to the mill are renewed as contained in the Operational Best Practices Palm Oil Mill document (FR.OPOP. 31 December 2015 approved by the CEO).

Based on field visits and interviews with spray workers in Block 83 Afdeling 3 Petapahan II Estate, it is known that workers understand the procedures related to spraying activities such as not spraying near the body of water and not spraying against the wind.

**4.1.2; 4.1.3**

The company has a company internal supervision system that aims to monitor operational implementation in accordance with the SOPs, among others, by conducting internal RSPO audits every year, conducting an internal and mill operational audit including examining aspects of procedure / SOP implementation and administration as well as monitoring activities. internal estate such as field trips to estates and mills carried out by company leaders such as Managers and Staff.

The audit has been carried out periodically and regularly covering all procedures owned by the company, among others, based on *Hasil Temuan Audit* (HTA), it is known that there are oil losses in the first effluent; the root of the problem is there is a blockage in the hole of the nozzle separator so that the oil does not come out normally; corrective action is washing the clogged separator nozzle; the target of completion is until March 3, 2019.

**4.1.4**

The company shows an SOP related to fruit receipts (No. MN.FR.COP.OPM.PNB Issue No. 1 dated 31 December 2015) which explains the mechanism for receiving fruit from outside parties, including FFB that enters from outgrowers from legal sources, installation of billboards which contains that the company / factory does not accept illegal fruit (from forest areas, HCV, stolen fruit and fruit from the area which is not permitted under applicable regulations). In addition, the company has shown a Letter of Agreement on the Processing of Palm Oil Fresh Fruit Bunches No: 002 / RAKA-FR / AF / TO.TBS / I / 2018. However, the company has not been able to show evidence that the Third Party Work Agreement includes a mechanism related to the source of FFB. **This is a non-conformity No. 2019.03.**

**4.1.4** | **Status: NC 2019.03 with Major category**

**4.2**

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

**4.2.1; 4.2.2**

The company has shown Fertilization SOP (FR.COP.OPA.PMK) which was passed on July 1, 2012 by the CEO. The procedure regulates, among others, the main principles in application or sowing of fertilizers, important facts in fertilizing effectiveness and efficiency, fertilization technical guidelines, fertilizer preparation, fertilization work organizations, mechanical fertilization with Fertilizer Spreader, EFB and application of liquid waste / POME. In addition, the company has also demonstrated the LCC Planting procedure (FR.COP.OPA. PKC) which was passed on July 1, 2012 by the CEO. The procedure includes planting cover crops, planting materials, legume composition, Mucuna bracteata nurseries, preparation for planting legumes, methods for planting legumes and treating legumes.

The company has shown footage of the fertilization realization program. The following fertilization recordings are carried out Urea fertilization in Afdeling I Petapahan I Estate until December 2018 as many as 54,985 kg with a program of 38,657 kg with the realization of over 42.23% compared to the recommendations set. Based on the results of the company's justification, it is known that over-use of fertilizers is due to fertilization for nurseries that have not been included in the recommendations of fertilizers issued at the beginning of the year, causing the addition of fertilizer according to nursery needs. This is in accordance with the justification of Plantation Director on December 13, 2018 stating that in the area of TBM that has symptoms of deficiency (yellow), extra fertilization of 500 g per staple is necessary. The company has shown fertilizer use documents / tons of FFB. The data on the use of fertilizer / tonnes of FFB in Petapahan I Estate in 2018 is 0.031 and in the Petapahan II Estate is 0.047.

Based on field observations in Block 83 Afdeling III Petapahan II Estate, it is known that workers understand related fertilization procedures such as not fertilizing close to the body of water and fertilizing according to the recommended dosage.

**4.2.3**

The company analyzes the land every 5 years carried out by Research and Development. The soil analysis activity was carried out on 12 May 2015 and contained in the 2015 Land Analysis Result document. The realization of the evaluation of soil fertility status in PT Arindo Tri Sejahtera - was carried out by observing the determination of pH, organic C content, total N (%), P content total and P available, K content, Mg content, Na content, Ca content and Cation Exchange Capacity (CEC).

The company has shown proof of implementation in accordance with the SOP, among others, showing leaf test results reports with Reference Lab 07 / PSG / RST-LAB / DN / III / 2018 dated March 23, 2018. The indicators observed include levels of N, P, K, Mg, Ca and B. The examples include taking leaf samples at Petapahan I with No. ATS1-II-117A-I-1997-2019 with the N value of 2.56%, P at 0.168%, K at 1.10%, Mg at 0.31%, Ca at 0.78 % and B of 28.70 ppm. Beside that, the company has shown the LSU Support Field Observation Data form in which visually identified deficiencies in levels of Nitrogen, Potassium, Magnesium, Boron and Iron levels. In addition, the company has included related guidelines for identifying nutrient deficiencies in the form of photographs.

Based on the results of interviews with management and analysis of soil and leaf analysis documents, it is known that the results of monitoring leaves, soil and monitoring are visually a reference in the next year's fertilization program.

**4.2.4**

The company does cycle nutrients in the form of empty bunches applications, POME applications, and decomposition of palm oil organic matter in the replanting process.

Based on documents and field visits, the company has used palm oil processing waste as an effort to maintain soil fertility in the form of EFB applications in 2018 totaling 810.86 tons. The application of liquid waste in 2018 in Petapahan I Estate is 132022 tons. The use of shells is 4901 tons and the use of fiber is 18509 tons for boiler fuel.

Based on interviews with management and field visits in the replanting area, oil palm trunks were chipped to accelerate decomposition, increase nutrient content and avoid the attack of horn beetles that usually attack in the replanting area.

**Status: Comply**

**4.3**

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

**4.3.1; 4.3.2**

The company has shown documents on the distribution map of PT Arindo Trisejahtera, Petapahan 1 Estate and Petapahan 2 Estate on a scale of 1: 20,000 from Research & Development - Soil survey & Land evaluation. Marginal land in the form of sandy land in the Petapahan 1 covering an area of 484.69 Ha and in the Petapahan 2 Estate covering an area of 266.91 Ha.

Based on the results of a field visit to Block 146, Petapahan I Estate, it is known that the company has carried out empty bare applications in areas with sandy clay types. In addition, the company has carried out cultivation activities, planting *Nephrolepis biserrata*, making terraces in replanting areas and U-Shape implementations.

**4.3.3**

The company has shown the Road Maintenance Program document in 2018. The data includes the following road maintenance program in Afdeling 1, Petapahan I Estate on September 2018, which is 1,500 m<sup>3</sup>, as long as as many as 1,500 m<sup>3</sup> (achieving 100% realization of the budget).

Based on the results of the field visit to Blok 85 Afdeling 1, Petapahan II Estate is known that the company has carried out road maintenance activities manually, in general the road conditions are in good condition and can be passed by FFB transport trucks.

**4.3.4; 4.3.5; 4.3.6**

The company has shown the PT Arindo Tri Sejahtera Land Map document issued by Research and Development - 2015 Soil Survey and Land Evaluation. Based on the PT Arindo Tri Sejahtera area. The type of land found in PT Arindo Tri Sejahtera is a type of Aeric Endoaquepts and Typic Dystrudepts with a slope of between 0-25%.

Based on the results of a field visit to Block 146, Petapahan I Estate, it is known that the company has carried out cultivation activities, planting *Nephrolepis biserrata*, making terraces in replanting areas and U-Shape implementations.

**Status: Comply**

**4.4**

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

**4.4.1**

HCV identifications and EIA indicates that estate operational areas are included on Kampar and Tapung watershed. Based on 2018 water sources identification found there are some river stream on company areas such as Hitam and Kampar / Tapung river. Water sources for estate and mill were identified, and water management plan on each estate and mill have been established and listed on procedures FR.EAC.IMM 2011 related water sources management/monitoring and HCV management.

Company shown evidence regarding this NC by providing water sources identification report that stated that current natural riverine that exist in compnay operational areas are Hitam river and Tapung river (outside HGU). Meanwhile for Dumai river, based on overlay indicates this river are located far away from company operational areas. This report has

been submitted to Riau province environmental agency on 2019. Therefore NC 2015.04 are closed

**4.4.2**

Water source and river flow on each estate has been mapped on 1:40000 scale. Water sources management plan were also listed on HCV management plan and environmental management/monitoring document that consists of e.g water usage monitoring on mill, HCV areas management, and regular surface water quality monitoring. Field visits in HCV 4 areas on Tapung riparian ATS-1 and Hitam riparian ATS-2 found that companies have perform revegetation with vetiver grass, and HCV signboard placement. During field visit also found riparian condition were bushy and there is no chemical activity indications on those riparian that become sampling audit.

Company has established procedures related water source identification and riparian marking, listed on procedures FR.EAC.MRR on 2011. This procedures describing riparian marking sign for examples, for river with 3 - <30 meter wide riparian areas were 50 meter bothside. Besides that this procedure also explain riparian areas marking with red sign on oil palm trees (100 cm from ground surface). Field visit on ATS-1 (Tapung riverine) found that company has not yet marking all riparian. Company were not able to shown integral implementation for all riparian that exist on company operational areas based on current procedures. **This become NC 2019.04 with major category.**

**4.4.3**

Based on field visit on ATS POM shown that mill effluent produced by POM are distributed on cooling pond firstly, and then flowing to anerobic pond. Mill effluent has been monitored every months and monitoring period September - Dec 2018 shown that all of effluent testing parameters is compliant to the standards quality, for example BOD on Dec 2018 are 850.22 mg/l. Mill Effluent management also was reported and submitted quarterly to environmental agency of Kampar by land application uarter report. Company also owned land application permit based on decree of Kampar regent No. 503/DPM-PTSP.PEL/LA/2017/05 valid until december 2022

**4.4.4**

Based on field visit on ATS POM water treatment plant station and interview with water treatment plant operator found that mill water usage monitoring are conducted on regular daily basis based on floweter reading. Standards of water usage for FFB process recorded on 2018 budget projected 0.93 m<sup>3</sup>/mt FFB process. Water usage monitoring was done periodically and recorded, for example on December 2018 FFB processed were 12957 mt, process water usage 9538 m<sup>3</sup>, and water usage efcency was 0.74 m<sup>3</sup>/mt FFB process.

<b>4.4.2</b>	<b>Status: NC No 2019.04 with major category</b>
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**4.5**

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

**4.5.1; 4.5.2**

The company has shown plans for integrated pest control. The integrated pest control plan at PT Arindo Tri Sejahtera includes the development of Tyto alba and planting of beneficial plants (*Turnera subulata*, *Casia tora* and *Antigonon leptopus*).

The company has shown recordings related to the recapitulation of nettle caterpillar and rat pest census in the period of March 2019. The census results included the *Tirathaba sp* Census on March 2, 2019 at Afdeling II PT ATS. Based on these data it is known that Block 117A, 147, 139 and 128 there were no such attacks.

The company has shown documents on pesticide usage in 2016-2019 PT Arindo Tri Sejahtera (Petapahan I Estate and Petapahan II Estate). Based on pesticide use data for the period of 2016-2018, it is known that there is a reduction in paraquat active ingredients up to 100%. In addition, the company has implemented integrated pest control by developing *Tyto alba* and installing owl nests on predetermined areas.

The company has shown PT ATS training documents. The realization of the training included Training for Pests and Plant Diseases for employees and supervisors at Afdeling I and II on May 21, 2018, the training was carried out to 24 workers. In addition, training for employees and supervisors at Afdeling III and IV on May 22, 2018, the training was conducted on

24 workers.

**Status: Comply**

**4.6**

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

**4.6.1; 4.6.2**

The company has demonstrated the Safe Use of Pesticide SOP with code FR.CSM.OP.2 dated September 1, 2011 approved by the Chief Executive Officer. The purpose of the procedure is that workers who handle pesticides are always aware of the magnitude of poisoning hazards and the level of health risks due to their work activities in addition to the implementation of safe and appropriate operational performance related to the use of pesticides in accordance with the instructions.

The contents of the procedure include the hazard level of the material based on the WHO class, the level of poisoning based on LD50, the statement of the danger of the material, the color and the danger symbol and the danger sign. The company has made efforts to avoid the development of resistance to weeds such as the use of different types of pesticides, spray rotation and spraying according to selective weeding.

The company has documented the Monitoring of Toxicity of Pesticides and Chemical Materials at PT ATS. The document details the type of material used, registration number, control target, acute oral toxicity (oral LD50), dose/ha, LD50, active ingredient (%) and active ingredient /ha. The company has also set a control target for each ingredient including the Round Up trademark pesticide which has the goal of controlling weed *Clidemia hirta*, *Melastoma malabathricum* and *Merimer sp.*

Based on field visits and interviews with spraying workers in Block 83 Afdeling III Petapahan II Estate, it was found that workers had sprayed according to procedures such as not spraying near water bodies, having knowledge of the types of pesticides used, understanding the dosages used and able to identify the target weeds. Based on this, it can be concluded that the company can show procedures and implementation related to security in the use of chemicals.

**4.6.3; 4.6.4**

The company has shown the Pest Disease Control SOP (MN.FR.COP.OPA.PHT, July 1, 2012), points a & b 6.6.5.2 regarding the frequency of nettle caterpillar and rat conducted 4 times a year or once every 3 months as the main pest. Besides that, it also discussed about integrated pest control such as planting beneficial plants and installing *Gupon* for rat pest control.

The company has shown the recapitulation of caterpillar and rat pest census for the period of March 2019. The census results included the *Tirathaba sp* census on March 2, 2019 at Afdeling II PT ATS. Based on these data it is known that Block 117A, 147, 139 and 128 there were no such attacks. In addition, the Rat Census was conducted on March 5, 2019 at Afdeling II PT ATS. Based on these data it is known that Block 125 and 146 did not have any attacks on these pests.

The company has documented the use of pesticides for the past 3 years and compared them to the use of the previous year. Based on the above data it is known that in general there is an increase in the use of glyphosate pesticides. Based on management justification, it is known that the increase is due to replanting activities, so that more pesticides are needed per hectare because of increased open areas and exposure to sunlight which can trigger the development of weeds. However, the company has shown positive progress related to the reduction of pesticides of types 1A and 1B (paraquat), which amounted to 100% in 2018.

Based on the results of a field visit to Block 85 Afdeling I, ATS II was known that the company had planted beneficial plants (*Turnera subulata* and *Antigonon leptopus*) in an effort to add live media to predators of nettle caterpillar.

**4.6.5; 4.6.7**

The company has shown SOPs related to the Use of Safe Pesticides with the code FR.CSM.OP.2 dated September 1, 2011 which is approved by the Chief Executive Officer. The purpose of the procedure is that workers who handle pesticides are always aware of the magnitude of poisoning hazards and the level of health risks due to their work activities in addition to the implementation of safe and appropriate operational performance related to the use of pesticides in accordance with

the instructions.

The company has shown PT ATS training documents. The realization of the training included Training for Pests and Plant Diseases for employees and supervisors at Afdeling I and II on May 21, 2018, the training was carried out to 24 workers. In addition, training for employees and supervisors at Afdeling III and IV on May 22, 2018, the training was conducted on 24 workers.

Based on observations in the warehouse of pesticides and spray work (Petapahan I Estate and Petapahan II Estate), warehouse employees and spray workers have understood the technical work of safe in accordance with existing procedures.

Based on the results of observations and interviews on spraying activities in Block 145, Afdeling II Petapahan I Estate. The workforce has understood the spray dose used such as spraying with the use of the active ingredient isopropyl amine glyphosate using a dose of 300 ml of chemicals for each hectare of application. In addition, it is known that workers have been given PPE in accordance with the HIRAC that they have such as Helmets, Shoes, Masks, Gloves, Apron and Shield. In addition, based on the results of interviews with workers it is known that if there is damage to PPE, the company will replace the PPE for free.

#### **4.6.6**

The company has an SOP related to the Use of Safe Pesticides with the code FR.CSM.OP.2 dated September 1, 2011 approved by the Chief Executive Officer. The activities of storing pesticides are listed in Point 3.2 regarding Safe Safeguards for Prevention, Point 3.4 regarding the Destruction of Pesticide Waste and Point 3.4.3 concerning Pesticide Packaging may not be Used for Any Purposes.

The company has shown the document on the Storage of Hazardous and Toxic Waste of PT ATS in 2018. Based on these data it is known that there are 25 ex-pesticide jerry cans (size 20 liters) and 640 cans of ex metafuron. Related to this, the company has shown proof of delivery / manifest No. 0011709 dated October 17, 2018 stating that the company has sent 87 Kg of contaminated packaging.

Based on the results of field visits to Petapahan I Estate and Petapahan II Estate and housing, it was acknowledged that there were no former pesticide containers which were disposed of or used for other purposes.

#### **4.6.8**

Based on documents and interviews with management, it is known that the company does not apply aerial pesticides.

#### **4.6.9**

Based on interviews with the spraying team, the spraying team members have understood the procedures for using pesticides at work. Employees have been able to explain and demonstrate how to use pesticides safely and safely. This includes how to use and handle risks in accordance with Material Safety Data Sheets (MSDS). All work tools and used containers of pesticide packaging for spraying are stored in the pesticide storage warehouse after washing rinse first. There are no used containers that can be reused or taken home. To maintain the competence and ability of workers, socialization of the use of pesticides is routinely carried out.

#### **4.6.10**

Company implemented proper ways for agrochemical waste disposal based on waste management procedures FR.CSM.OP-1 on 2011. Training for workers and staff regarding hazardous & toxic material handling has been conducted on January 2019 for ATS-1 and on February 2019 for ATS-2 representative.

Field visit during audit on ATS-1 and ATS-2 shown that agrochemicals containers are disposed based on MSDS i.e cleanly washed on pesticides rinse storehouse and regularly submitted to PT Shali Riau Lestari (last shipment conducted on October 2018). All evidence for ex agrochemical disposal for examples "*berita acara pengiriman bekas kemasan pestisida*" to related transporters are available and verified by auditor.

Company has established procedures related agrochemical waste management listed on procedures FR.CSM.OP-1 on

2011. This procedures has explained instructions related ex agrochemical containers management for examples by container signing with red sign, container crushing, and must be stored on temporary hazardous waste store. Field observation on temporary hazardous waste store on ATS-1 and ATS-2 shown all ex pesticides container are not sign with red sign and ex pesticides container are not being crushed. Company are not able to shown proper ways for ex agrochemical container management based on current procedures. **This become NC 2019.05 with minor category.**

**4.6.11**

The company has updated data on the number of pesticide operators owned in each unit, namely 12 people at ATS-1 Estate and 6 people at ATS-2 Estate. In addition, the company has conducted routine health checks for all workers on January 7, 2019 with 3 types of examinations namely cholinesterase, spirometry and audiometry. From the results of the health examination it was found that all workers who were examined were normal without any interference and were healthy to work.

Based on the results of interviews with harvest workers, sprayers and factory operators it is known that the company has carried out routine health checks for its workers every year and if the results of the inspection have been received, the company will notify the workers.

**4.6.12**

Based on the results of a list of workers' document studies and interviews with representatives of gender committees it was found that there were no female workers who worked with chemicals or became pesticide operators and all the work was done by men. In addition, the company has a circular and environmental policy & company OHS which states that women workers who are pregnant and breastfeeding are strictly prohibited from carrying out work related to chemicals.

**4.6.10 | Status: NC 2019.05 with minor category**

**4.7**

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

**4.7.1**

The company has established a work safety and health policy in the Directors Decree No. 001 / sustainability-FR / P / IX / 2011 dated 20 September 2011 which was approved by the Chief Executive Officer stating that First Resources Group and its subsidiaries are committed to carrying out their operational activities by taking into account environmental, social and OHS impacts. The policy is written in understandable language, namely Indonesian and the implementation of the policy is carried out by:

- Comply with applicable laws and regulations and / or other requirements regarding OHS
- Establish OHS goals, objectives and programs
- Providing adequate human resources, training and facilities in order to implement OHS activities
- Monitor OHS performance continuously
- Establish and maintain emergency preparedness and response
- Providing a decent and safe workplace for employees

The company has an OSH work program that is created every year to plan the implementation of OHS in estate and factories. The program has been prepared for 2019 by the P2K3 board on January 9, 2019. The work program is the creation of OHS goals & objectives, review & preparation of HIRAC, evaluation of OHS fulfillment, safety induction, P2K3 meetings, PPE distribution / replacement, monitoring of PPE conditions, monitoring & provision of first aid, K3 monitoring, monitoring of the validity period of competency certificates, work accident recapitulation, work accident investigations, worker health checks, emergency response preparedness, OHS socialization activities, and reporting of P2K3 routine reports.

**4.7.2**

The company has identified each source of risk and the types of risks that may be caused by plantation operations and factories. The results of the identification have been reported in the HIRAC report, 2019 period risk assessment and control for plantations and factories. The information presented in the report includes: description of activities, potential hazards, OHS risks, risk assessment before being controlled (opportunity, consequence, level), risk control, risk assessment after being controlled and the person in charge. The company already has procedures for risk control that

have been identified, the company can show SOP Identification of hazard sources of risk assessment and control Document No. FR.OSH.P03 which has been approved / signed by the head of sustainability.

- Based on the results of a document review, it is known that the company already has a HIRAC in 2019 which was ratified on January 10, 2019 for plantations and factories. Observation results revealed that the company has work activities at the sites of WWTP, LA, Replanting, Transport and Unloading FFB in factories that have not been listed in the HIRAC 2019. The company has not been able to show the risk assessment and record of its implementation which includes all activities in the estate and factory.
- Based on the results of the work accident document study, it was found that there were 13 accident incidents that occurred during 2018 and did not have an inspection / investigation document for the work accident in accordance with the procedure for Emergency Work Accident and Almost Wretched Handling document No. FR.OSH.P12 September 1, 2011. The company has not been able to show the results of work accident investigations in accordance with existing procedures.

**Non-Conformity No. 2019.06****4.7.3**

All workers have been given training in how to work safely in accordance with their respective jobs. The following is a recording of training that has been provided to workers to always carry out safe work practices at work:

- OHS, P3K socialization and the use of PPE in the ATS-1 Estate conducted on 6-7 November 2018 which was attended by 58 participants
- OHS, P3K socialization and the use of PPE in the ATS-2 Estate conducted on 6-7 November 2018 attended by 58 participants
- OHS, P3K socialization and the use of PPE in Arindo Trisejahtera POM conducted on 07 November 2018 which was attended by 24 participants
- OHS, P3K socialization and the use of PPE in Arindo Trisejahtera POM conducted on 7 August 2018 which was attended by 24 participants
- OHS, P3K socialization and the use of PPE in ATS-1 Estate conducted on 07 August 2018 which was attended by 18 participants
- OHS, P3K socialization and the use of PPE in ATS-2 Estate conducted on 7 August 2018 attended by 26 participants

The company has not been able to show proof that Personal Protective Equipment (PPE) is available to all workers.

- Based on the results of interviews with factory workers (kernel operators, press, sterilizer, and sorting officers) it is known that the conditions for PPE (safety shoes) are damaged for 5 workers and there is 1 worker who wears boots. This is not in accordance with the HIRAC owned by the company.
- Based on the results of the PPE handover document study, it is known that the company has provided PPE to factory workers in 2018. However, the company has not been able to show proof of handover of PPE for factory workers in 2019 and estate workers in 2018-2019.
- Based on the results of field observations at the factory, it was found that there were 4 drivers of FFB transport trucks entering the factory area without using PPE (safety shoes). This is not in accordance with Circular Letter No. PH / SE / 01 / III / 2019 dated March 13, 2019 which states that everyone entering the factory area must use PPE and if the person does not use PPE, they can use PPE provided at the security post.

**Non-Conformity No. 2019.07****4.7.4**

The company has formed PT Arindo Trisejahtera's P2K3 (Occupational Safety and Health Advisory Committee) organization which is known to the company leadership, assisted by a secretary who has obtained a license as a general OHS expert, Aziz Abdullah and is assisted by 20 P2K3 members. The company has submitted a registration application letter for the new P2K3 organization in 2019 on March 11, 2019 to the Riau Province Manpower and Transmigration Office and until now the company has not received approval from the institution. **(OFI)**

The company has minutes of meetings every month that are conducted including:

- Minutes of the December 29, 2018 meeting which discussed the OHS work program in December and the implementation of the OHS activities in November which was attended by 40 meeting participants.

- Minutes of the January 29, 2019 meeting which discussed the OHS work program in January and the implementation of the OHS activities in December which was attended by 40 meeting participants.
- Minutes of the January 24, 2019 meeting which discussed the OHS work program in February and the implementation of the OHS activity in January which was attended by 40 meeting participants.

#### 4.7.5

The company has SOP handling work accidents and near misses with document number FR.OSH.P12, explains, among other things, goals, scope, understanding, responsibilities and procedures. In the procedure, it was explained, among others, training that the company would conduct first aid training in general and all foremen and the health sector were given training in handling victims of accidents in the field, handling accidents, handling work-related diseases, procedures for mass accidents, accident investigations and reporting.

The company has an SOP for Emergency Management with no: FR.OSH.P10, dated September 1, 2011 which explains the understanding and responsibilities as well as prevention and handling procedures for emergencies. Emergency Response SOPs with Document No. FR.EMS.ERS, explained that those responsible for emergencies were the P2K3 team, the emergency response team and the firefighting team. In the procedure section, the mechanism for handling emergency response, fire handling and handling natural disasters was explained.

Based on the results of interviews with harvesting workers, sprayers and factory operators, it is known that the company has provided warnings related to evacuation routes, gathering points and areas that are dangerous / accident-prone in the area of plantation operations and factories. So that it makes it easier for workers to understand these procedures.

- Based on the results of field observations at ATS-1 Estate and factories it is known that the contents of the first aid kit are not in accordance with the Circular of the determination of the contents of the first aid kit in accordance with the legislation. There is no mechanism for monitoring the completeness of the contents of the first aid kit in accordance with the management circular regarding the contents of the first aid kit.
- The company already has an Emergency and Responsibility procedure that explains that emergency response infrastructure must be monitored every month. It has not yet been proven that monitoring of emergency response facilities must be monitored every 3 months, besides that the list of infrastructure facilities has not been shown.

Based on these records, this **Non-Conformity No. 2015.06** is stated to have not been fulfilled and has become a major nonconformity

#### 4.7.6

The company has a Health Post located in Afdeling 2 ATS-1 Estate which is the first medical treatment center for workers and their sick families. The Health Post has 2 paramedics (always on standby) and 1 doctor (visits every 2 times a week) who already have a Hiperkes certificate. For all workers and their families given free treatment, if the treatment cannot be handled by the Health Post, the company will provide delivery facilities for treatment at the Hospital located in Pekanbaru City (1.5 hours away). In addition, the company has included all workers and their families in the "BPJS Kesehatan" program, the following is proof of the last payment made:

- Payment of "BPJS Kesehatan" in January 2019 for 617 workers along with their dependents paid on January 10, 2019 through the Bank
- Payment of "BPJS Kesehatan" in February 2019 for 606 workers along with their dependents paid on February 10, 2019 through the Bank

In addition to registering workers in the BPJS Health program, the company also registered all its workers in the "BPJS Ketenagakerjaan" program (JKK, JHT, JPN, and JKM), the following is proof of the BPJS Employment payment that has been paid:

- Payment of "BPJS Ketenagakerjaan" in January 2019 for 617 workers on February 15, 2019 through the Bank
- Payment of "BPJS Ketenagakerjaan" in February 2019 for 606 workers on March 4, 2019 through the Bank

The company has cooperation with contractors for the company's operational activities such as CV Teman Setia, CV Trans Cargo Logistics, CV Duta Teknik, CV Olla Group, CV Putra Rokan and PT Bangun Persada. The agreement states that the contractor must comply with all existing labor regulations. Based on the results of the document review, it is known

that the company has not been able to show evidence that the contractors have included their workers in the “BPJS Kesehatan dan Ketenagakerjaan” program. The company has not been able to show an evaluation of the contractor related to the fulfillment of the agreements contained in the Work Agreement for labor protection. Based on these records, this **Non-Conformity No. 2015.07** is stated to have not been fulfilled and has become a major nonconformity.

**4.7.7**

The company has a record of work accidents using the LTA matrix for the past year from March 2018 to February 2019 with the following details:

- Total workforce of 606 people
- Total work accidents are 13 accidents
- Total loss of workdays is 66 days
- Total working hours are 2,852,945 hours
- Frequency Rate is 2.20
- Severity Rate is 1.83

<b>4.7.2</b>	<b>Status : NC 2019.06 with major category</b>	
<b>4.7.3</b>	<b>Status : NC 2019.07 with major category</b>	
<b>4.7.5</b>	<b>Status : NC 2015.06 minor raised to major category</b>	
<b>4.7.6</b>	<b>Status : NC 2015.07 minor raised to major category</b>	

**4.8**

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

**4.8.1 & 4.8.2**

The company has a training program for all workers including contract workers in 2018 and 2019 for estate workers and factories including:

**Arindo Trisejahtera Mil**

- Kernel Station Operation Training
- WTP Station Operation Training
- Operation Training for the Bantingan Station
- Sterilizer Station Operation Training
- Ramp Loading Station Operation Training
- Engine Room Station Operations Training
- Training for Station Clarification Operations
- Boiler Station Operation Training
- Operation Loader Training
- Pressing Station Operation Training
- Etc.

**ATS-1 & ATS-2 Estate**

- Harvest Training
- Chemist / Spray training
- Fertilization Training
- HPT training
- Training of Extinguishers and APAR
- First aid training

The company has documented the formally conducted training documented in the form of minutes, attendance and activity photos, including:

- OHS, first aid kit socialization and the use of PPE in the ATS-1 Estate conducted on 6-7 November 2018 which was attended by 58 participants
- OHS, first aid kit socialization and the use of PPE in the ATS-2 Estate conducted on 6-7 November 2018 attended by 58 participants
- OHS, first aid kit socialization and the use of PPE in Arindo Trisejahtera POM conducted on 07 November 2018 which

was attended by 24 participants

- OHS, first aid kit socialization and the use of PPE in Arindo Trisejahtera POM conducted on 7 August 2018 which was attended by 24 participants
- OHS, first aid kit socialization and the use of PPE in ATS-1 Estate conducted on 07 August 2018 which was attended by 18 participants
- OHS, first aid kit socialization and the use of PPE in ATS-2 Estate conducted on 7 August 2018 attended by 26 participants

**Status: Comply**

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

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

**5.1.1**  
 Until ASA 1 there is no changes related to estate operational areas development, mill capacity expansion, and etc. Aspects of plantation and mill management that caused environmental impacts were identified and listed on current EIA document. Certificate Holder has environmental impact assessment documents approved by Ministry of Agriculture on 1994. This document scope covered ATS-1 and ATS-2 estate within 7741.40 ha area and mill capacity of 45 mt FFB/Hour. Besides that company also have another EIA listed on *DPPL* document on 2010, covered other estate areas for about 634.84 ha.

**5.1.2 & 5.1.3**  
 Environmental management plan and monitoring plan for company are listed on RKL/RPL document. Company also demonstrated environment and social management based on EIA document for examples : surface water quality testing, waste water produced by mill are managed on WWTP before it distributed to estate as land application, regularly emission testing for boiler, generator emission, boiler emission, and based on local stakeholder interview acquired information that companies often provide assistance to the religious activities education, and provide employment and local business opportunities.

Result of monitoring for 2nd semester 2018 shown that potential impact caused by operational activities have been reduced meanwhile surface water and air emission parameter are still complied with standard quality.

Company has shown regular testing related plankton, benthos, and nekton for Tapung river and Hitam river per three month basis. **Regarding this NC 2015.08 are closed.**

Document review and field visit shown company has conduct replanting activities since 2018 on ATS-1 estate and current environmental impact assessment document has not covered replanting activities. Regarding replanting activities, company are not able to shown environmental management and monitoring plan for minimize negative impact, if identified impact that requires any changes for current operational activities. **This become NC 2019.08 with minor category**

**5.1.2 Status: NC 2019.08 with minor category**

**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**  
 PT Arindo Trisejahtera has been conducted HCV assessment for the entire area of operations on 2007, therefore HCV approved assessor or HCV ALS is not applicable. The process of HCV identification conducted by using HCV identification guides in Indonesia. These identifications indicates there is HCV 1.2, 4.1, & 6 presence on ATS-1 and ATS-2 estate. Each HCV areas have been mapped, and covered areas with following details respectively, HCV 1.2/4.1 covered 9.33 ha on ATS-1, HCV 4.1 on ATS-2 covered 16.27 ha, and HCV 6 on ATS-2 covered 1.0 ha. Based on interview with management representatives found that HCV identification was conducted by a competent HCV team and has engaged stakeholders

through public consultation on 2007. HCV identification results also explain there is no presence of Rare, Threatened, or Endangered (RTE) species according updated IUCN-Redlist.

Based on interview with management, workers representative, and local stakeholders acquired information that currently, most often found species surrounding company was *varanus salvator* and there is no RTE species present such as of *elephas maximus* and *panthera tigris* present.

**5.2.2 & 5.2.3**

HCV identification and interview with relevant stakeholders shown there is no RTE (according to IUCN redlist) species present surrounding company. To provide protection against wild species, management unit has established 2018 HCV management plan that consist of : hunting ban signboard placement, rehabilitation of riparian as wild species habitat, and etc.

Related to RTE species, company have RTE species protections policy established on 2018 by estate Group manager. Evidence for workforce educations related to RTE species are available for examples HCV / RTE socialization on January 2019 for ATS-1 & ATS-2 workers. Field visit on Workers housing ATS-1 & ATS-2 also found there is no RTE / wild species reared by workers and workers have deep awareness regarding wild species protections policy develop by company.

Company has established procedures FR.EAC.IMM on 2015 related HCV protection and monitoring, this procedures also described instructions for wild species monitoring, and HCV areas monitoring by patrolling for wild hunting and etc. Based on document review found that company are not able to shown evidence related HCV areas monitoring by patrolling for wild hunting and etc based on current procedures. **This become NC 2019.09 with major category.**

**5.2.4**

Monitoring for HCV areas and wild species are done based on semester basis patrols by HCV officer. Results of monitoring for December 2018 for examples found some wild species e.g burung "*Bubut*" on *Varanus salvator* on block 15 ATS-1. All this monitoring report are summarized on HCV management report per semester.

Company has established HCV management plan for periods 2019-2020 that consist of HCV monitoring and management plan for entire company operational areas. Company also have evaluation for 2018 HCV management realization. Based on field visit on Tapung riparian on ATS-1 shown that HCV 4.1 areas are not yet maintained well. (for examples there is no riparian marking). Regarding this company are not able to shown evidence that HCV management plan for 2019-2010 has been develop based on 2018 monitoring output and current procedures. **This become NC 2019.10 with minor category.**

**5.2.5**

Based on HCV identification found there is 6 presence, that consist of local cemetery on ATS-2. HCV locations has been included on each estate working map with appropriate scale. Based on stakeholders consultation with Summersari and Sukaramai villager and local government institution found information this local cemetery are be used by company workers and there is no HCV areas that affected or overlapped with local community land.

<b>5.2.2</b>	<b>Status : NC 2019.09 with major category</b>
<b>5.2.4</b>	<b>Status : NC 2019.10 with minor category</b>

**5.3**

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

**5.3.1**

All waste products and sources of pollution have been identified and documented in aspect impact document 2018 and waste management procedures FR.CSM.OP-1. Based on field visit and document review shown company have implemented waste management based on waste identification source and management plan for examples are :

- Estates, waste source : chemist activities, waste type : ex pesticides containers (toxic and hazardous waste), managed by stored in optimalization store and sent to related transporters
- Mill, waste source : FFB process, waste type : shell and fiber (non toxic/hazardous waste), managed by renewable energy usage for boiler

- Mill, waste source : FFB process, waste type : palm oil mill effluent, managed by effluent pond and land applications as nutrient cycle
- Estates, waste source : pruning activities, waste type : oil palm frond (organic waste), managed by frond stacking

**5.3.2**

Inventory for all chemicals usage and its containers are available on chemicals storehouse / temporary hazardous storage. All ex chemicals containers were kept on temporary hazardous waste store, and company has a permit for all hazardous and toxic waste storage issued by head of environmental agency, Kampar regency.

Based on document review and interview with management, shown all ex pesticide containers on estates and other hazardous waste are managed by rinse on pesticides mixing store and regular submitted to related vendors i.e PT Shali riau Lestari.

Document review shown that company has disposed all toxic and hazardous waste to PT Shali riau Lestari (licensed collector by decree of national environmental minister) on October 2018, for examples manifest AAO11709 for 87 kg ex agrochemical / contaminated containers. Observation during audits at temporary hazardous&toxic waste storage also shown that all current hazardous waste that stored are compliant with the periods in permit.

**5.3.3**

Certificate holder has implemented waste management /utilization based on management plan. Field visit to ATS POM shown that pall oil mil effluent are managed on WWTP before its distributed as land application; Fiber and shell has been utilized as a boiler fuel, housing trash has been collected in the garbage then disposed to the landfill area. Field visit on land application activities on ATS-1 shown that company has utilized POME as nutrient cycle based on permit which it belongs.

Related to domestic waste, field visit on ATS-1 and ATS-2 housing found that All settlements waste are not disposed off using open fire and companies managed settlements/housing domestic waste by provide landfill on each estate.

Field observation on special audit during 2018 found that there is still hazardous waste utilization as water container on on worker housing. Company has waste source identification and waste management that listed on waste management procedures FR.CSM.OP-1. Field observation during ASA-1 on AFD IV ATS-2 estate shown that hazardous waste utilization as water containers on estate housing are still presence. Regarding this company are not able to shown overall proper ways related waste management implementation based on current procedures. **This become NC 2015.10 with minor raised to major category.**

**5.3.3 Status: NC 2015.10 minor raised to major category**

**5.4**

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

**5.4.1**

Fossil fuel reducing plan has been develop and implemented by ATS palm oil mill with renewable (fiber and shell) usage. Company has assessed and estimate the direct energy use such as fuel usages and electricity generated by Mill operational activities for 2018 periods. Shell and fiber usage have been monitored per month and for examples realization of fossil fuel usage during December 2018 are 10.455 litre. During Jan-December 2018, renewable energy usage for boiler resulting average energy efficiency about 71.65 KwH/mt CPO, meanwhile direct energy usage by fossils fuel are 4.59 litre/mt CPO.

**Status: Comply**

**5.5**

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

**5.5.1 & 5.5.2**

Zero burning activities for land preparation are listed on land preparation procedures and Director memo related zero

buring activities on 2012. Document review and field verification shown that company are not conduct any new development / clearing since 2015. Based on field visit on ATS-1 and ATS-2 replanting areas found that replanting activities was conducted by zero burning. Document review for replanting working agreeemnt letter for examples SPK No 60/P-Replanting-ATS/LGL-PKU/IV/18 between PT ATS and CV Duta Teknik shown that article 14 clearly stated that all contractor are not allowed to conduct land preparation by open fire.

**Status: Comply**

**5.6**

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

**5.6.1 major & 5.6.2 major**

As a part of emission reducing plan, the company has identified the emissions source and the management steps which are described in emission source identification. In addition, company also identified GHG sources included mitigation plan for reducing it.

All waste including emissions and pollutions sources from Mill and estate are identified and recorded on waste and pollution identification document. Fossil fuel reducing have been implemented by fiber and shell usage. Realization of renewable energy have been monitored on monthly report for fiber and shell usage. Meanwhile, company has regular monitoring programme related air emission including monitoring for smoke density and opacity, results of 2nd semester 2018 for this parameters respectively for boiler 1 e.g 170.44 mg/m3 and 20 % (below threshold limit).

**5.6.3 Minor**

Calculation of GHG and its monitoring has conducted by Environment department. GHG emission calculated using RSPO palm GHG calculator v 3.0.1. Summary of GHG emmison for ATS palm oil mill and its supply base for periods 2018 are listed as follows :

Summary Emissions

Product	tCO2e/t product
CPO	1.21
PK	1.21

Description	Unit	Value
Total Planted Area	Ha	8161.69
Total Planted Area on peat	Ha	0
Conservation Area	Ha	26.6
OER	%	19.11
KER	%	5.77

\*planted areas are based on total planted area on year 2018 i.e 8161.69 ha

**Mill Emission and Credit**

Description	tCO2	tCO2e/t FFB
POME	30306.25	0.2
Fuel Consumption	511.2	0
Grid Electricity Utilisation	0	0
Credit	0	0
Export of excess electricity to housing & grid	0	0
Sale of PKS	0	0
Sale Of EFB	0	0
Total	30817.45	0.2

**Plantation/Field Emissions and Sinks**

Description	Own			Group		
	tCO2	tCO2e/ ha	tCO2e/t	tCO2	tCO2e/ ha	tCO2e/t

			FFB			FFB
Land Conversion	64811.05	8.58	0.43	0	0	0
CO2 Emission from fertilizer	4566.93	0.6	0.03	0	0	0
N2O Emissions	5851.02	0.76	0.04	0	0	0
Fuel Consumption	1804.7	0.24	0.01	0	0	0
Peat Oxidation	0	0	0	0	0	0
Sinks						
Crop Sequestration	-61432.28	-8.13	-0.41	0	0	0
Sequestration in coservation area	-237.22	-0.03	0	0	0	0
Total	15364.2	2.02	0.1	0	0	0

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

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

**POME Diverted to Anaerobic Digestion:**

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

Based on document review for examples : pesticides usages monitoring, diesel fuel monitoring, HCV identification and etc found that accurate data has been put into the RSPO palm GHG Calculator. Meanwhile this GHG calculation using options No 1 (apply full version).

**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**

Company has conduct Social Impact Assessment. The assessment process was done in 2014 and the scope of study are impact of plantation and mill operation to workers and community surrounding company. These assessment also identified negative and positive impact of plantation and mill operation towards social aspect.

SIA idenifications are done based on affected parties consultation on December 2014, this matter are amplified by stakeholders during ASA-1 stakeholder consultation. Based on stakeholder consultation with Sumber sari villagers and local government institutions found that company operational activities are brings some positive/negative impact and current SIA has covered this issues for examples related local workers acceptance, and road maintenance, and local economy development.

**6.1.3, 6.1.4, & 6.1.5**

There is no smallholders scheme established by PT Arindo Trisejahtera. Company has established management planning and monitoring for social impact based on the impact idenfification. This plan has been informed the positive and negative impact including the time management planning and the person in charge for the activity, such as: potential environment pollution, local economy development, and access road condition. PIC for social management and monitoring are manager in each unit assisted by other staff.

The social monitoring plan were implemented by affected parties participatory for examples by regular stakeholder

meeting on October 2018 for Rimba Beringin village, Sumber sari villages, Kusau makmur village, and Sukaramai village.. Review for social management and monitoring for PT ATS was develop on 2018. Major impacts that affect communities from company operations: workers acceptance, local economy development, transport access, and etc.

Interview with representative of Sumber sari villagers obtained information that affected parties surrounding company are participated when social monitoring was conducted by company.

Result monitoring for social impact on surrounding PT ATS affected parties shown the main issues that still presence until now is local economy development, regarding this company has always included this matter on CD/CSR regular programme for developing local economy such as by local contractor engagement, and local transactions development. Based on document review and field observation found that company has conducting replanting activities since 2018. Review and evaluation for social monitoring and management plan has been done On Dec 2018 by Sustainability department. Based on document review shown that current social monitoring and management plan are not covered replanting activities and there is no evidence regarding affected parties involvement.

Regarding this, company are not able to shown evidence that social monitoring and management plan review was conducted by stakeholders/affected parties involvement and current social monitoring and management plan are not covered replanting activities impact. **This become NC 2019.11 with minor category.**

**6.1.4 Status: NC 2019.11 with minor category**

**6.2**

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

**6.2.1, 6.2.2 & 6.2.3**

Regarding the request for information the company has a revised communication procedure on September 1, 2011 on November 22, 2018 with the FR.EMS.CIE document number that was approved by the CEO. The Communication Procedure that is owned explains the communication mechanism with relevant stakeholders (Internal and External) on issues of environmental management and or the implementation of sustainable oil palm (SPO). The method used for disclosure and transparency of information is explained by the Flowchart for Handling Social Issues and Requesting Information / Responses.

The company has a socialization document with the affected parties including the surrounding community and government agencies, in the document outlining the activities carried out by the company with documentation in the form of photographs of socialization. In the document it is known that the company has carried out socialization related to communication procedures that are owned so that they can be understood by stakeholders. This is also in line with the results of interviews with surrounding villagers who stated that they understood the company's communication procedures well and there were no problems with this.

Specifically, the officer responsible for external communication is the Public Relations / General Manager coordinator in accordance with the Job Description of the District Regional Public Relations position in Job Description First Resources on September 1, 2011. The job description of the Public Relations coordinator is communicating with related parties to fulfill social work plans and create positive information for companies with other parties related to companies such as: society, press, government, consumers, competitors, etc.

Based on the results of interviews with the surrounding village community and the Kampar Regency government agency, it is known that these stakeholders have understood the parties / responsible PICs to be contacted if they want to carry out communication activities with the company, namely the public relations and manager.

**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**

The company has had communication procedure (Document No. FR.EMS.CIE approved since on 1 September 2011 last

revised on 29 July 2011). In clause 3.15 says that company management will guarantee the anonymity of whistleblower. Besides that, there is a special way to reported of complaint by using email or phone line. Those email address and phone number are placed in each office and public place such as housing complex etc.

**6.3.2**

From the interview with the representatives of the company management, interview with relevant stakeholders (local government of Kampar District and surrounding communities), it is known that the entire land issues have been resolved and during the audit there are no disputes related to operational activities of PT Arindo Trisejahtera.

**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**

Based on document verification shows that PT ATS Plantation had been established from 1993. No new plantation development after 2000. However, the company has already had procedure of FPIC application in the opening of new oil palm plantation as follows:

1. SOP with the code FR.EAC.FPC on 17 June 2013 on the Implementation of the Concept of Free, Prior and Informed Consent in the Area of New Development of Oil Palm Plantation. The SOP describes procedures to identify the customary legal rights, communication and consultation in land acquisition as well as conflict resolution process in case.
2. SOP with the code UMM-PLH-2 on 3 September 2014 on Land Acquisition. The SOP describes definition, task division as well standard procedure in the process of land acquisition. The procedures are: dissemination of estate development, strengthening the village boundaries in the estate location, appointment of village measurement team, mapping, proposal submission of land acquisition, approval, minutes and inventory map, document verification and payment of compensation.
3. Procedure of communication with the stakeholders is in the document with the code FR.EMS.CIE ratified on 1 September by Corporate Sustainability Head. Handling social issues is the shared responsibility of the entire management with task division in the handling.

PT. Arindo Trisejahtera has started their operational since 1991 and received land title since 1993. Land acquisition process document kept in Pekanbaru Office. There was some land acquisition process as written in indicator 2.3.2 above. Based on interview with the village representatives and national land agency's staff of Kampar District during this audit known that there was no new of compensation related to the area development and land conflicts within the operational area of PT Arindo Trisejahtera.

**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, 6.5.3 & 6.5.4**

The company has a Collective Labor Agreement (PKB) that has been ratified by the Head of the Manpower and Transmigration Office of Kampar Regency based on the letter number KPTS.560 / PERINAKER-PHI / PKB / 2018/05 dated 23 February 2018 which applies 23 February 2018 to 23 February 2020. Some of the things regulated in the company's company include: employee acceptance, worker status, wages, dependents, positions, wage increases, fines, loss, deductions from wages, official travel expenses, working days / hours, overtime work, care , childbirth, accident / death benefits, wages during illness, wages during detention by the authorities, family planning programs, holiday allowances, bonuses, employee cooperatives, trade unions, leave, work safety, environment, provisions for transfer, order, prohibitions, disciplinary violations, termination of employment, provision of severance pay, settlement of complaints, obligations of workers, work experience certificate, age limit to stop work, and others.

Based on the results of interviews with the workers' union, it is known that the minimum wage for the 2019 period has not

been ratified by the Governor so that the company still uses the minimum wage in 2018. However, if the minimum wage is ratified then the company will pay a minimum wage payment since January 2019 This has been done every year because the company and trade unions agreed to use the Sectorial Plantation Minimum Wage (UMSP) for the basis of the minimum wage in the company. At least company has provided wages in accordance with the determination of the minimum wage set by the government and overtime payments have also been in accordance with applicable regulations.

The company has welfare facilities provided free of charge to workers. These facilities include housing, elementary school, health post, ambulance, school bus, church, mosque, prayer room, soccer field, badminton and other public facilities. In terms of electricity availability, now all housing facilities have been provided by the factory.

Based on the results of observations and interviews with residents of the house, it is known that the company gives permission / freedom to sell basic needs in the housing complex. In addition, the distance of housing to the nearest market ranges from ± 5 km. There are also many traders who enter residential areas to sell basic necessities, so far the workers have never experienced difficulties in obtaining basic necessities and food sources during their stay in the house.

Based on the results of field observations and interviews with housing residents in the afdeling 4 ATS-2 Estate, it is known that water supply is not sufficient for daily needs during the dry season, in housing Afdeling 4 ATS-1 Estate the condition of septic tanks is damaged, drainage does not work properly not well maintained. The company has not been able to show that the company has provided adequate housing and sufficient water supplies. Based on these records, this **Non-Conformity No. 2015.14** is stated to have not been fulfilled and has become a major nonconformity

<b>6.5.3</b>	<b>Status: NC 2015.10 minor raised to major category</b>
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**6.6**

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

**6.6.1 & 6.6.2**

Policies related to freedom of organization are still the same as previous assessments listed on Internal Memo No. 017 / INT-MEMO / ATS / II / 2013 from the Director of HRD on February 5, 2013 which explained that PT Arindo Trisejahtera as a subsidiary of First Resources Group is committed to supporting and facilitating the rights of employees in association and assembly. The company does not limit the employment of workers, including contract workers, to conduct union activities in companies. This is evidenced by the joining of all workers in becoming members of trade unions.

Companies can show evidence of meetings between labor unions ATS-1 and companies to discuss labor issues that occur in the work environment. These meetings include:

- The minute meeting of the 12 March 2018 meeting at PT Arindo Trisejahtera Meeting Room and was attended by 13 participants. In the meeting discussed the provision of wages for workers in the form of money, provision of rice supply, overtime and other calculations.
- The minute meeting on October 17, 2018 in PT Arindo Trisejahtera Meeting Room and was attended by 13 participants. In the meeting, the monthly routine contribution of Rp. 10,000, - notices relating to workers who have been transferred for prior communication and other discussions.

Based on the results of interviews with labor union officials it is known that in the selection / formation of labor union administrators carried out independently by workers and there was no intervention from the company. In addition, the company has always given workers the freedom to join the union and there is no coercion in this matter.

The company has labor union for each unit, and has met if there are any issues to be discussed related to employment. Based on the results of interviews with the management of labor union ATS-2 Estate, it was discovered that in 2018 the union had held a meeting between the company and the union and its members. The company has not shown records of meetings with trade unions / labor unions or workers / labor representatives. **Non-Conformity No. 2019.12.**

<b>6.6.2</b>	<b>Status: NC 2019.12 with minor category</b>
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<b>6.7 Children are not employed or exploited.</b>	
<p><b>6.7.1</b> To ensure that the company does not employ employees under the minimum age specified in government regulations, the company has issued child labor policy No. 011.B / SUSTAINABILITY-FR / P / VI / 2012 which states that FR Group and its subsidiaries are committed not to employ children under the age of 18 years and will ensure by checking the employee's identity card at the time of employee recruitment.</p> <p>Based on the results of the workers' list document study, it was found that there were no workers who entered work at the age of under 18, the age of the youngest worker at the time of starting work at the company was workers aged 18 years. This is in line with the results of interviews with harvest, spray, fertilizer and plant operator's workers who stated that so far there were no workers under the age of 18 working because the company had a policy of prohibiting the employment of underage workers.</p>	
	<b>Status: Comply</b>
<b>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.</b>	
<p><b>6.8.1, 6.8.2 &amp; 6.8.3</b> Company shows Directors Decree No. 011.A / Sustainability_FR / P / VI / 2012 dated 15 June 2012 was approved by the CEO regarding the Equal Employment Opportunity policy which decided that the FR Group would not discriminate against anyone in terms of employment or business activities, the selection and promotion process was assessed based on qualifications and experience .</p> <p>Based on the results of a study of the workers' list document, it is known that all workers working in the company come from various regions, religions and tribes including the Javanese, Batak, Melayu, and Sundanese. In addition there are also workers who are Muslims, Christians, Hindus and others so that there is no discrimination that occurs in the work environment of the company. This is in line with the results of interviews with harvest, fertilizer, spray and factory operators who stated that the provision of equal employment opportunities based on expertise and reliability by the company has caused no discrimination in the work environment.</p>	
	<b>Status: Comply</b>
<b>6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</b>	
<p><b>6.9.1 &amp; 6.9.2</b> The company has a sexual harassment policy in the directors' decision letter No. 011.C.SUSTAINABILITY_FR / P / VI / 2012 made on June 15, 2012 by the CEO. The policy explains that FR Group and all of its subsidiaries prohibit all forms of sexual harassment in physical form, comments, jokes and / or shows and other behaviors that apply to men and women. Colleagues must be treated well.</p> <p>The company also has a reproductive rights protection policy in the directors' decree No. 011.SUSTAINABILITY-FR / P / VI / 2012 made on June 15, 2012 by the CEO. The policy explains that FR Group guarantees all couples and individuals who want sexual health and reproductive health services to be fulfilled. Guarantee all couples to decide the amount, pause and time to have children and the right to information related to it. Protect reproductive rights and build support for these rights through education and advocacy.</p> <p>The mechanism for submitting special complaints is explained in the policy on prohibiting sexual harassment, stating that employees who feel harassed can report to superiors directly to the internal audit department. The company has provided telephone numbers and suggestion boxes / complaints that can be contacted if the action is disturbing.</p> <p>Based on the results of interviews with female workers in spray and fertilizer work and gender committees it was found that female workers were given time off for menstruation (H1), childbirth (H2) and special rest periods for breastfeeding. In addition, workers who are pregnant and breastfeeding are also not permitted to carry out work related to chemicals.</p>	

The results of interviews with female workers such as sprayers, foremen, clinical nurses, offices and caregivers are known that these workers already know and understand the special resting time policy.

**6.9.3**

The system for resolving complaints and complaints is included in the communication procedure with the code: FR.EMS.CIE which was approved on September 1, 2011 which was revised on July 29, 2015, at 3.15 pounds it was explained that the company management would guarantee the anonymity of the reporter / disclosure / whistleblowers that cover confidentiality, safety, reputation and good name for every stakeholder who conveys confidential information to the company.

The company can show the complaint handling flowchart, starting from the internal audit manager providing complaint telephone numbers, incoming SMS / complaints will be submitted to the internal audit director, the internal audit director will follow up the complaints submitted and finally the audit director will report to the MD regarding the report. This will be decided and resolved according to the type of complaint received by the person handling the complaint. All this time, complaints have only been made in the form of complaints about the damage to housing staff and there have been no complaints over the past year.

Based on the results of interviews with spray workers, fertilizers, harvesters and factory operators it is known that so far there are no crucial complaints that occur in the company, complaints that often occur are complaints related to damage to facilities in the housing complex only.

	<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 and 6.10.2**

PT Arindo Trisejahtera only received FFB from their own estate or under First Resources Group. But sometimes, they also received FFB from another plantation company according to the FFB purchasing contract and procedure where the prices decided based on agreement.

**6.10.3**

Based on document verification, the company has had agreement with local contractor. For example, the company has a work agreement with a third party (local contractor) including a contract to procuring stone sand for road hardening with CV Putra Rokan. Based on the results of interviews with the relevant contractors, the implementation of the work has been carried out since March 2019.

However, it has not yet been proven that the collaboration with CV Putra Rokan has been stated in a written agreement that is fair, legal and transparent. **Noncompliance No. 2019.13 indicator minor**

**6.10.4**

The company has work agreement with third parties, including replanting contracts with CV Duta Teknik as stated in work agreement dated April 16, 2018. Based on the contract, work payments are made for each work progress and 3 months retention.

The company has not been able to show the evidence to proof those work agreement has been paid in accordance with the agreed agreement. **Noncompliance No. 2019.14 indicator minor**

<b>6.10.3</b>	<b>Status : NC 2019.13 indicator minor</b>
<b>6.10.4</b>	<b>Status : NC 2019.14 indicator minor</b>

**6.11**

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

**6.11.1 & 6.11.2**

The company has identified the need to provide local development assistance to surrounding communities by participating in the village annual meeting (musrembang). From the results of the deliberations, the company has developed a

community development / social responsibility and environmental program.

Based on the results of interviews with the community of Suka Ramai and Sumber Sari Village, it is known that the company has provided assistance to local development every year to the village community and the company is always invited and present in village annual meeting (musrebang) activities every year.

The company has a program to improve the quality of life and the local environment. This, as stated in the Corporate Social Responsibility (CSR) Program of 2018 and 2019, which was prepared in a participatory manner with the community was invited by the meeting on December 2018, and the questionnaire evoked a social management and monitoring plan.

Based on the results of interviews with Sumber Sari and Suka Ramai villagers, it is known that the company has carried out CSR activities / assistance to the village community in the form of scholarships to students, guidance for MSMEs, and assistance with incentives for teacher salaries. In addition, the village also stated that the company will certainly provide assistance every year in accordance with the company's capabilities and community needs.

**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 review of work contract documents and a list of workers it is known that there were no foreign workers working at the level of the executive workers up to manager positions. Foreign workers only exist at the top management level. In addition, there are also no workers from trade or illegal workers because all workers have work ties with the company.

Based on the results of interviews with harvest, spray workers and factory operators it is known that so far there has been no use of forced labor, child labor, or family members who assist employees. All workers have work ties with the company.

**Status: Comply**

**6.13  
Growers and millers respect human rights**

**6.13.1**

The company has a policy on Human Rights listed in the directors' decree number: 018 / Sustainability\_FR / P / 03/201 5 on 05 March 2015 which states:

- The company recognizes everyone's right to recognition, guarantee, protection and fair legal treatment.
- Everyone has the right to protection of human rights
- Cultural identity of indigenous and tribal peoples including rights to communal land is protected
- Everyone has the right to live, maintain life and improve living standards
- Everyone has the right to a good and healthy environment
- Everyone has the right to develop and benefit from science and technology
- Everyone has the right to communicate and obtain information
- Everyone has the right to choose and have political will
- Everyone has the right to gather and organize

Based on the results of interviews with harvest workers, sprayers and factory operators, it is known that there have never been cases of human rights violations that occurred within the scope of the company's operations. This is in line with the results of interviews with surrounding villagers who stated that there had never been cases related to human rights violations that occurred around or within the operational scope of the company.

**Status: Comply**

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

<p><b>7.1</b>  <b>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.</b></p>	
<p>7.1.1, 7.1.2, 7.1.3            Certificate holder do not conduct any new development since November 2005. Planting year for ATS-1 and ATS-2 are consist of year 1992-1997. Current EIA and SIA were able to seen on indicator 5.1 and 6.1</p>	
	<p><b>Status: Comply</b></p>
<p><b>7.2</b>  <b>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.</b></p>	
<p>7.2.1; 7.2.2            The company has shown the PT Arindo Tri Sejahtera Land Map document issued by Research and Development - 2015 Soil Survey and Land Evaluation. Based on the results of the study, it was found that there was no peat soil in the PT Arindo area, the type of soil found in the PT Arindo Tri Sejahtera, namely Aeric Endoaquepts and Typic Dystrudepts.</p> <p>The company carried out planting activities between 1992 and 1997, while during the surveillance audit 1, the company was conducting replanting activities. The replanting realization was carried out in Afdeling I Petapahan I Estate covering an area of 1081.37 Ha with planting years of 2018 and 2019.</p>	
	<p><b>Status: Comply</b></p>
<p><b>7.3</b>  <b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b></p>	
<p>7.3.1, 7.3.2, 7.3.3, 7.3.4, &amp; 7.3.5            Certificate holder do not conduct any new development since November 2005. Planting year for ATS-1 and ATS-2 are consist of year 1992-1997. PT Arindo Trisejahtera has conducted disclosure of liability to RSPO secretariat on August 12 2014 and there has been a response on 23 June 2015 which explains that in PT ATS has zero liability.</p>	
	<p><b>Status: Comply</b></p>
<p><b>7.4</b>  <b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b></p>	
<p>7.4.1; 7.4.2            The company has shown the PT Arindo Tri Sejahtera Land Map document issued by Research and Development - 2015 Soil Survey and Land Evaluation. Based on the results of the study, it was found that there was no peat soil in the PT Arindo area, the type of soil found in the PT Arindo Tri Sejahtera, namely Aeric Endoaquepts and Typic Dystrudepts.</p> <p>The company carried out planting activities between 1992 and 1997, while during the surveillance audit 1, the company was conducting replanting activities. The replanting realization was carried out in Afdeling I Petapahan I Estate covering an area of 1081.37 Ha with planting years of 2018 and 2019.</p>	
	<p><b>Status: Comply</b></p>
<p><b>7.5</b>  <b>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.</b></p>	
<p>There is no development of new area after 2005. The document showed that company planted within the period of 1992 – 1997.</p>	
	<p><b>Status: Comply</b></p>
<p><b>7.6</b>  <b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for</b></p>	

<b>any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
There is no development of new area after 2005. The document showed that company planted within the period of 1992 – 1997.	
	<b>Status: Comply</b>
<b>7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
<b>7.7.1 &amp; 7.7.2</b> Certificate holder do not conduct any new development since November 2005. Planting year for ATS-1 and ATS-2 are consist of year 1992-1997. Zero burning policy for current operational activities has been develop and has been described on indicator 5.5.	
	<b>Status: Comply</b>
<b>7.8 New plantation developments are designed to minimise net greenhouse gas emissions.</b>	
<b>7.8.1 &amp; 7.8.2</b> Certificate holder do not conduct any planting or new development since January 2015. Current GHG calculation for existing operational areas are able to seen on indicator 5.6.3.	
	<b>Status: Comply</b>
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>	
<b>8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
<b>8.1.1</b> The company has also used owls as natural predators of rat control, where based on the results of monitoring up to February 2015 there were 157 gupons installed, 59 inhabited, 1 containing eggs and 10 containing birds.	
	<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>Facility had an agreement with Meridan Sejatisurya Plantation Bulking (subsidiary of First Resources Ltd) that has been certified RSPO Supply Chain (Certificate Number BMT-RSPO-001059 start date 30 November 2018). All palm product transferred to the bulking by using contracted CPO/PK transporter. Facility has showed official agreement with PK transporter (CV Teman Setia agreement letter No: 20000214/ATS/III/2019 dated on 4 February 2019) and CPO transporter (CV Trans Cargo Logistik agreement letter No: 6037/ATS/X/2018 dated on 8 October 2018).</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>During certification period, facility received FFB from certified source (own estate) and uncertified sources (PT. Riau Agung Karya Abadi) that has had a long term agreement regarding to FFB purchasing with the company.</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>Arindo Trisejahtera POM - PT Arindo Trisejahtera, subsidiary of First Resources Ltd has registered in RSPO membership 1-0047-08-000-00 since 10 March 2008.</p> <p>Arindo Trisejahtera POM has been registered in IT platform palm trace RSPO <a href="https://palmtrace.rspo.org/web/rspo/member-directory">https://palmtrace.rspo.org/web/rspo/member-directory</a> which information as follows:</p> <ul style="list-style-type: none"> <li>• Member Name: Arindo Trisejahtera POM - PT. Arindo Trisejahtera</li> <li>• Account UID: RSPO_AC1000002631</li> <li>• Core Product: Palm Oil</li> <li>• Member ID: RSPO_PO1000002631</li> <li>• Type of Business: Oil Mill</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>Facility has had agreement with certified supply chain bulking (Bulking of PT. Meridan Sejatisurya Plantation in Dumai) for palm product (CPO/PK) storage before it sell to the buyer.</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>

Facility only using single supply chain model which is Mass Balance Model.	
	<b>Status: Comply</b>
<b>5.2.2</b>	
The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	
Facility only using single supply chain model which is Mass Balance Model.	
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	
The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified.	
Facility have an update procedures of RSPO Supply Chain Mechanism (FR.CSM.MRPR approved since 20 December 2018). These procedures refer to the newest RSPO Supply Chain Certification Standard and RSPO Certification System. Based on document verification, those procedure has described responsibility of all staff that involved in supply chain implementation such as:	
<ul style="list-style-type: none"> <li>• <b>Sustainability head:</b> Ensuring that supply chain procedure comply with traceability guidance and evaluating of it implementation.</li> <li>• <b>Director / marketing manager:</b> <ol style="list-style-type: none"> <li>1. Ensuring validation of RSPO certificate.</li> <li>2. Ensuring all dispatch process has been declared in accordance with this procedure.</li> <li>3. Ensuring all transaction announced in RSPO palm trace.</li> <li>4. Informing the CB immediately if there is a projected overproduction of certified tonnage.</li> <li>5. Ensuring of mass balance calculation, zero double counting and updating of credit stock.</li> </ol> </li> <li>• <b>Plantation director/plantation controller/estate manager:</b> Informing the CB immediately if there is a projected overproduction of certified tonnage through marketing/sustainability department.</li> <li>• <b>Certification and traceability:</b> Monitoring of implementation of supply chain in accordance with procedure and conducted annual internal audit of supply chain.</li> <li>• <b>Mill manager</b> Monitoring of implementation of supply chain in accordance with procedure and conducted annual internal audit of supply chain.</li> <li>• <b>Head of weighbridge:</b> <ol style="list-style-type: none"> <li>1. Stamped of certified or noncertified FFB</li> <li>2. Ensuring of palm product dispatch in accordance with delivery order.</li> <li>3. Coordinating with marketing or sustainability department if any nonconformance.</li> </ol> </li> </ul>	
According to the interview with weighbridge operator known that the company has had the procedure to separate FFB that comes from certified or noncertified sources. All of FFB received will be separate in weighbridge system and calculate CPO/PK certified/noncertified product and stamped with certified and noncertified stamp. Administration staff will informed the sum of certified/noncertified product in daily bases, monthly and three monthly bases.	
	<b>Status: Comply</b>
<b>5.3.2</b>	
The site shall have a written procedure to conduct annual internal audit	
In accordance with supply chain procedure, internal audit of supply chain conducted annually. Arindo Trisejahtera POM has conducted internal audit supply chain on 11 – 12 December 2018 which is found some NC's. Based on minutes of meeting management review on 12 February 2019 in meeting room of Director Office in Pekanbaru, all NC's has been closed.	
	<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

Facility has documented all information of their palm oil products buyer. During the certification period, there was three (3) palm product potential buyer as follows:

1. PT Meridan Sejatisurya Plantation, located in District of Dumai, Province of Riau.
2. PT Ciliandra Perkasa, located in District of Dumai, Province of Riau.
3. PT Adhitya Serayakorita, located in District of Dumai, Province of Riau.

All palm product dispatch has completed with data of contract, product description, quantity, transporter documentation, declaration of product status etc.

During the audit, auditor has verified the sales information in RSPO Palm Trace that informed there was no RSPO certified product sold. All certified product sold as other scheme (ISCC) and conventionally.

**Status: Comply**

**5.4.2**

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

Facility has had an update procedures of RSPO Supply Chain Mechanism (FR.CSM.MRPR approved since 20 December 2018) that described of mechanism handling for non-conforming oil palm products and/or documents.

**Status: Comply**

**5.5**

**Outsourcing activities**

**5.5.1**

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

Facility only using local transporter (third party) to delivering CPO product from mill to bulking based on contract. This local transporter has been socialized regarding to physical handling according to the RSPO supply chain standard. Through the document verification, field observation and interview with the local transporter has agreed to share their information to the CB's regarding to RSPO standard.

**Status: Comply**

**5.5.2**

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

- a. The site has legal ownership of all input material to be included in outsourced processes;
- 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.
- c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.
- 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

Facility only using local transporter to delivering CPO product from mill to bulking based on contract. This local transporter has been socialized regarding to physical handling according to the RSPO supply chain standard. Through the field observation, there was no another outsource processing activities like refining or crushing identified.

During the audit, auditor has observed and interviewed the local transporter which is informed that there are a contract between mill and transporter. The local transporter has agreed to share their information to the CB's regarding to RSPO standard.

**Status: Comply**

<b>5.5.3</b>	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.
	Facility only using local transporter to delivering CPO/PK from mill to bulking based on contract. During this certification period, facility using PK transporter (CV Teman Setia agreement letter No: 20000214/ATS/II/2019 dated on 4 February 2019) and CPO transporter (CV Trans Cargo Logistik agreement letter No: 6037/ATS/X/2018 dated on 8 October 2018). The names and detail contact are available in mill.
	<b>Status: Comply</b>
<b>5.5.4</b>	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products
	There are no additional contractor.
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form: <b>The name and address of the buyer</b>
	Facility has documented all information of their palm oil products buyer. During the certification period, there was three (3) palm product potential buyer as follows: <ol style="list-style-type: none"> <li>1. PT Meridan Sejahturya Plantation, located in District of Dumai, Province of Riau.</li> <li>2. PT Ciliandra Perkasa, located in District of Dumai, Province of Riau.</li> <li>3. PT Adhitya Serayakorita, located in District of Dumai, Province of Riau.</li> </ol> <p>All palm product dispatch has completed with data of contract, product description, quantity, transporter documentation, declaration of product status etc.</p>
	<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>
	Facility has shown their transaction document that consist registration in IT platform. It also can be downloaded at RSPO palm trace. During the audit, auditor has verified the sales information in RSPO Palm Trace that informed there was no RSPO certified product sold. All certified product (CPO/PK) sold as other scheme (ISCC) and conventionally.
	<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> </ul>

- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Based on document verification, facility has documented record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. All of these transactions are recorded in the RSPO IT Platform. Based on interviews with related staff, information was obtained that data related to sales was the authority of the Marketing Department at the Head Office in Jakarta.

**Transaction Report**

Member Name: Arindo Trisejahtera  
 Member ID: RSPO\_PO100002631  
 License ID: CB66357  
 Status: Active  
 Start Date: 25-05-2018  
 End Date: 24-05-2019

**Stock Transactions**

Stock Transaction ID	Date	Product	Supply Chain Model	Transaction Type	Volume
ST-TR-e69b20c9-ec37	14-03-2019	CSPO	Mass Balance	Remove From Certified Stock	21.784,89

\*Volume in MT

**Status: Comply**

**5.8 Training**

**5.8.1**

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

Facility has planned annual training regarding to RSPO Supply Chain Standard requirement. The last refreshment training regarding on supply chain conducted on Friday, 8 January 2019 located in meeting room Arindo Trisejahtera POM attended by 7 person who having responsibility overall responsibility for and authority over the implementation of supply chain. An objective of these training such as supply chain background, module for mill, mass balance procedure, RSPO certified stamp implementation and book keeping documentation.

**Status: Comply**

**5.8.2**

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

Based on interview and document verification, all personal who having responsibility and authority are able to demonstrate their competency regarding the implementation of supply chain. All FFB delivery note from certified source has stamped with "CERTIFIED" and noncertified stamped with "NON CERTIFIED".

**Status: Comply**

**5.9 Record keeping**

**5.9.1**

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

Facility has been well maintained all record regarding to supply chain implementation (FFB receiving including its certified/non-certified sources, CPO/PK dispatch) in mass balance document.

**Status: Comply**

**5.9.2**

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

Based on document verification on supply chain procedure, retention time for all records and report regarding to supply chain are kept for 2 year. All of record and report kept in mill archive room.

Auditor has verify the document of supply chain such as FFB delivery note and weighbridge ticket on 24 January 2018 and dispatching note of CPO on 29 January 2019 (transported by CV Trans Cargo Logistik).

**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.

Facility estimated their palm product which is written in annex of initial assessment certificate and monitored in three-monthly bases. If any overproduction, facility will inform the CB to extend their volume.

Product	Estimation of Certified Product (MT)	Actual Production (MT)	Projected production of the next license period (MT)
FFB	162,711	113,910	133,500
CPO	31,729	21,787	25,718
PK	8,949	6,566	7,748

Source: production data during certification period

**Status: Comply**

**5.10 Conversion factors**

**5.10.1**

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

Facility did not using conversion rate.

**Status: Comply**

**5.10.2**

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

Facility did not using conversion rate.

**Status: Comply**

**5.11 Claims**

**5.11.1**

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

Facility did not using logo.

**Status: Comply**

**5.12 Complaints**

**5.12.1**

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

Facility have an update procedures of RSPO Supply Chain Mechanism (FR.CSM.MRPR approved since 20 December 2018). These procedures refer to the newest RSPO Supply Chain Certification Standard and RSPO Certification System. It also

covered complaints handling procedures.	
	<b>Status: Comply</b>
<b>5.13</b>	<b>Management review</b>
<b>5.13.1</b>	
The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken	
In accordance with supply chain procedure, internal audit of supply chain conducted annually. Arindo Trisejahtera POM has conducted internal audit supply chain on 11 – 12 December 2018 which is found some NC's. Based on minutes of meeting management review on 12 February 2019 in meeting room of Director Office in Pekanbaru, all NC's has been closed. Facility has showed management review that consist information such as findings, corrective action and preventive action.	
	<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>	
In accordance with supply chain procedure, internal audit of supply chain conducted annually. Arindo Trisejahtera POM has conducted internal audit supply chain on 11 – 12 December 2018 which is found some NC's. Based on minutes of meeting management review on 12 February 2019 in meeting room of Director Office in Pekanbaru, all NC's has been closed. Facility has showed management review that consist information such as findings, corrective action and preventive action.	
	<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>	
It documented in management review document as written in preventive action.	
	<b>Status: Comply</b>

3.2.2 (Module E) CPO Mills - Mass Balance Requirements

Clause	Requirement																
E.1	Definition																
E.1.1	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>During certification period, facility received FFB from certified source (own estate) and uncertified sources (PT. Riau Agung Karya Abadi) that has had a long term agreement regarding to FFB purchasing with the company. There is no FFB from 3<sup>rd</sup> party certified supply base so far. Based on that, mill using Module E for mills – Mass Balance.</p> <p>According to the interview with weighbridge operator known that the company has had the procedure to separate FFB that comes from certified or noncertified sources. All of FFB received will be separate in weighbridge system and calculate CPO/PK certified/noncertified product and stamped with certified and noncertified stamp. Administration staff will informed the sum of certified/noncertified product in daily bases, monthly and three monthly bases.</p>																
	Status: Comply																
E.2	Explanation																
E.2.1	<p><b>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&amp;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.</b></p> <p>Facility estimated their palm product which is written in annex of initial assessment certificate and monitored in three-monthly bases. If any overproduction, facility will inform the CB to extend their volume.</p> <table border="1"> <thead> <tr> <th>Product</th> <th>Estimation of Certified Product (MT)</th> <th>Actual Production (MT)</th> <th>Projected production of the next license period (MT)</th> </tr> </thead> <tbody> <tr> <td>FFB</td> <td>162,711</td> <td>113,910</td> <td>133,500</td> </tr> <tr> <td>CPO</td> <td>31,729</td> <td>21,787</td> <td>25,718</td> </tr> <tr> <td>PK</td> <td>8,949</td> <td>6,566</td> <td>7,748</td> </tr> </tbody> </table> <p>Source: production data during certification period</p>	Product	Estimation of Certified Product (MT)	Actual Production (MT)	Projected production of the next license period (MT)	FFB	162,711	113,910	133,500	CPO	31,729	21,787	25,718	PK	8,949	6,566	7,748
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PK	8,949	6,566	7,748														
	Status: Comply																
E.2.2	<p><b>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).</b></p> <p>Arindo Trisejahtera POM - PT Arindo Trisejahtera, subsidiary of First Resources Ltd has registered in RSPO membership 1-0047-08-000-00 since 10 March 2008.</p> <p>Arindo Trisejahtera POM has been registered in IT platform palm trace RSPO <a href="https://palmtrace.rspo.org/web/rspo/member-directory">https://palmtrace.rspo.org/web/rspo/member-directory</a> which information as follows:</p> <ul style="list-style-type: none"> <li>• Member Name: Arindo Trisejahtera POM - PT. Arindo Trisejahtera</li> <li>• Account UID: RSPO_AC1000002631</li> <li>• Core Product: Palm Oil</li> <li>• Member ID: RSPO_PO1000002631</li> <li>• Type of Business: Oil Mill</li> </ul>																

	<b>Status: Comply</b>
<b>E.3</b>	<b>Documented procedures</b>
<b>E.3.1</b>	<p><b>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</b></p> <p><b>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></p> <p><b>b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</b></p> <p>Facility have an update procedures of RSPO Supply Chain Mechanism (FR.CSM.MRPR approved since 20 December 2018). These procedures refer to the newest RSPO Supply Chain Certification Standard and RSPO Certification System. Based on document verification, those procedure has described responsibility of all staff that involved in supply chain implementation such as:</p> <ul style="list-style-type: none"> <li>• <b>Sustainability head:</b> Ensuring that supply chain procedure comply with traceability guidance and evaluating of it implementation.</li> <li>• <b>Director / marketing manager:</b> <ol style="list-style-type: none"> <li>1. Ensuring validation of RSPO certificate.</li> <li>2. Ensuring all dispatch process has been declared in accordance with this procedure.</li> <li>3. Ensuring all transaction announced in RSPO palm trace.</li> <li>4. Informing the CB immediately if there is a projected overproduction of certified tonnage.</li> <li>5. Ensuring of mass balance calculation, zero double counting and updating of credit stock.</li> </ol> </li> <li>• <b>Plantation director/plantation controller/estate manager:</b> Informing the CB immediately if there is a projected overproduction of certified tonnage through marketing/sustainability department.</li> <li>• <b>Certification and traceability:</b> Monitoring of implementation of supply chain in accordance with procedure and conducted annual internal audit of supply chain.</li> <li>• <b>Mill manager</b> Monitoring of implementation of supply chain in accordance with procedure and conducted annual internal audit of supply chain.</li> <li>• <b>Head of weighbridge:</b> <ol style="list-style-type: none"> <li>1. Stamped of certified or noncertified FFB</li> <li>2. Ensuring of palm product dispatch in accordance with delivery order.</li> <li>3. Coordinating with marketing or sustainability department if any nonconformance.</li> </ol> </li> </ul> <p>According to the interview with weighbridge operator known that the company has had the procedure to separate FFB that comes from certified or noncertified sources. All of FFB received will be separate in weighbridge system and calculate CPO/PK certified/noncertified product and stamped with certified and noncertified stamp. Administration staff will informed the sum of certified/noncertified product in daily bases, monthly and three monthly bases.</p>
	<b>Status: Comply</b>
<b>E.3.2</b>	<p><b>The site shall have documented procedures for receiving and processing certified and non-certified FFBs</b></p> <p>In accordance with supply chain procedure as explained in clause E.3.1 above, facility has demonstrated mass balance procedure (separating between certified and non-certified product).</p> <p>According to the interview with weighbridge operator known that the company has had the procedure to separate FFB that comes from certified or noncertified sources. All of FFB received will be separate in weighbridge system and calculate CPO/PK certified/noncertified product and stamped with certified and noncertified stamp. Administration staff will informed the sum of certified/noncertified product in daily bases, monthly and three monthly bases.</p>
	<b>Status: Comply</b>
<b>E.4</b>	<b>Purchasing and goods in</b>

**E.4.1**

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

Certified and non-certified FFB received during certification period

RSPO Certified	FFB (MT)	
	Non-Certified	Total
113,910	4,350	118,260

Source: All FFB received data recorded on the weighbridges system in mill.

**Status: Comply**

**E.4.2**

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

Based on the estimated FFB, CPO and PK on annex 1 of initial assessment certificate, facility could be produce as follows:

Product	Estimation of Certified Product (MT)	Actual Production (MT)	Projected production of the next license period (MT)
FFB	162,711	113,910	133,500
CPO	31,729	21,787	25,718
PK	8,949	6,566	7,748

Based on the data above, there was no overproduction yet.

**Status: Comply**

**E.5**

**Record keeping**

**E.5.1**

- 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 and / or three-monthly basis.
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.)

Mill has documented the record and balance of all RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.

Based on certification period found that summary of certified/noncertified product sold as follow:

CPO Production (MT)			Cert CPO Dispatch (MT)			
Cert	Non Cert	Total	RSPO	Other scheme	Conventional	Total
21,787	870	22,658	-	21,784	-	21,784

PK Production (MT)			Cert PK Dispatch (MT)			
Cert	Non Cert	Total	RSPO	Other scheme	Conventional	Total
6,566	258	6,824	-	-	6,565	6,565

**Status: Comply**

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

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

**3.4. Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of First Resources Limited 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.

First Resources Limited Time Bound Plan (TBP) is explained in point 1.10. First Resources Limited has informed the TBP progress, MUTU has considered that First Resources Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by First Resources Limited on April 2018.

MUTU has verified partial certification for un-certified unit's subsidiary of First Resources Limited based on their Time Bound Plan. There are 25 subsidiars of First Resources Limited. 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 are no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There are no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p><b>Auditor verification</b></p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> <li>- PT Surya Intisari Raya</li> <li>- PT Swadaya Mukti Perkasa</li> <li>- PT Persada Instisawit Perkasa</li> <li>- PT Panca Surya Agroindo</li> <li>- PT Subur Arum Makmur</li> <li>- PT Muriniwood Indah Industry</li> <li>- PT Borneo Surya Mining Jaya</li> <li>- PT Ketapang Agro Lestari</li> <li>- PT Borneo Persada Energy Jaya</li> <li>- PT Mitra Karya Sentosa</li> <li>- PT Citra Agro Kencana</li> <li>- PT Maha Karya Bersama</li> </ul> <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<ul style="list-style-type: none"> <li>• PT Panca Surya Agrindo has identified the HCV area with total areal of 105.15 Ha</li> <li>• PT Persada Instisawit Perkasa has identified the HCV area with total areal of 33.15 Ha</li> <li>• PT Subur Arum Makmur has identified the HCV area on 2010 with total areal of 70.45 Ha</li> </ul>

		<ul style="list-style-type: none"> <li>• PT Muriniwood Indah Industri has identified the HCV area on 2005, there is no HCV area.</li> <li>• PT Borneo Surya Mining Jaya has identified the HCV area on 2013 with total areal of 722.2 Ha.</li> <li>• PT Ketapang Agro Lestari has identified the HCV area on 2011 with total areal of 992.94 Ha.</li> <li>• PT Borneo Persada Energy Jaya has identified the HCV area on 2012 with total areal of 390.42 Ha.</li> <li>• PT Mitra Karya Sentosa has identified the HCV area on 2010 with total area of 321.7 Ha (MKS-1) and 2012 with total area of 1,361.76 Ha (MKS-2)</li> <li>• PT Citra Agro Kencana has identified the HCV area on 2012 with total area of 723.67 Ha.</li> <li>• PT Maha Karya Bersama has identified the HCV area on 2012 with total area of 844.88 Ha.</li> </ul> <p>The company has shown proof of delivery of disclosure to RSPO secretariat on August 12, 2014 and there has been a response on 23 June 2015 which explains that in PT SMP there is conservation liability with total area 27.3 Ha and PT GSI with total area 8 Ha.</p> <p><b>Auditor verification</b> Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<ul style="list-style-type: none"> <li>• PT Panca Surya Agrindo was built in 1990-2006 and there is no development after January 1, 2010</li> <li>• PT Persada Instisawit Perkasa was built in 1993-2004 and there is no development after January 1, 2010</li> <li>• PT Subur Arum Makmur was built in 1993-2004 (8,589.58 Ha) and there is no development after January 1, 2010</li> <li>• PT Muriniwood Indah Industri was built in 1996-2010 7,886 Ha, and there is development after January 1, 2010 is 50 Ha.</li> <li>• PT Borneo Surya Mining Jaya was built in 2011 – 2017 (2,284.58 Ha). NPP by TUV Nord Indonesia on 2012 with total scope area 11,210 Ha. HCS Assessment by Ata Marie on 2016 with total area 1,443.49 Ha.</li> </ul>

		<ul style="list-style-type: none"> <li>• PT Ketapang Agro Lestari was built in 2012 – 2018 (5,615.85 Ha). NPP by TUV Nord Indonesia on 2012 with total scope area 14,440.12 Ha. HCS Assessment by Ata Marie on 2016 with total area 1,476.84 Ha.</li> <li>• PT Borneo Persada Energy Jaya was built in 2011 – 2017 (938.41 Ha). NPP by TUV Nord Indonesia on 2012 with total scope area 5,944.72 Ha. HCS Assessment by Ata Marie on 2016 with total area 2,005.69 Ha.</li> <li>• PT Mitra Karya Sentosa was built in 2009 – 2018 (MKS-1 5,240.43 Ha and MKS-2 5,974.34 Ha). NPP by BSI Group on 2014 with total scope area 12,548.53 Ha. HCS Assessment by Aidenvironment on 2015 MKS-1 with total area 2,484.07 Ha and by Ata Marie on 2016 MKS-2 with total area 97.20 Ha.</li> <li>• PT Citra Agro Kencana was built in 2012 – 2018 (6,001.58 Ha). NPP by TUV Nord Indonesia on 2011 with total scope area 16,001.07 Ha. HCS Assessment by Ata Marie on 2015 with total area 4,314.56 Ha.</li> <li>• PT Maha Karya Bersama was built in 2012 – 2017 (62,235.01 Ha). NPP by TUV Nord Indonesia on 2012 with total scope area 24,638 Ha. HCS Assessment by Sonokeling on 2015 with total area 585.75 Ha (MKB-A) and 2017 with total area 228.78 Ha (MKB-B)</li> </ul> <p><b>Auditor verification</b> Auditor has verified the supporting evidence (Area Statement) of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.4	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>There is no land conflicts.</p> <p><b>Auditor verification</b> There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p>
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes.</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.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>

<p>2.1.6</p>	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>The subsidiaries of First Resources Limited has have land use right,</p> <p><b>Auditor verification</b></p> <ul style="list-style-type: none"> <li>• PT Perdana Intisawit Perkasa has have land use right in the document of HGU number 60/HGU/BPN/1995 on 1995 with total area is 2,467 Ha</li> <li>• PT Panca Surya Agrindo has have land use right in the document of HGU number 42-VIII-1995 on 1995 and number 09/HGU/BPN.RI/2010 on 2010 with total area is 11,078.52 Ha</li> <li>• PT Subur Arum Makmur has have land use right in the document of HGU No. 131 of 1998 (7,767 Ha), No. 182 of 2009 (484.05 Ha), No. 183 of 2009 (679.50 Ha), No. 184 of 2009 (102.93 Ha), No. 185 of 2009 (237.55). Total HGU 9,271.03 Ha.</li> <li>• PT Muriniwood Indah Industri has have land use right in the document of HGU No. 10 of 2000, with total area 7,886 Ha</li> <li>• PT Borneo Surya Mining Jaya has have permit (IUP No. 525.26/K.925B/2010 with total area 11,210 Ha. (joint to FR Group on 05 April 2011).</li> <li>• PT Ketapang Agro Lestari has have document legal (Izin Lokasi No. 525.26/K.867/2009 with total area 15,025 Ha and IUP No. 525.26/K.941a/2010 with total area 14,440.12 Ha. (joint to FR Group on 05 April 2011).</li> <li>• PT Borneo Persada Energy Jaya has have land use right in the document of HGU No. 31 of 2017, with total area 5,171.6 Ha</li> <li>• PT Mitra Karya Sentosa has have land use right in the document of HGU No. 55 of 2010, with total area 6,402.05 Ha, No. 93 of 2013 with total area 3,284.86 Ha, No. 94 of 2014 with total area 12,548.53 Ha</li> <li>• PT Citra Agro Kencana has have land use right in the document of HGU No. 167 of 2014 with total area 14,643.27 Ha</li> <li>• PT Maha Karya Bersama has have Izin Lokasi No. 525.26/K.283.a/2011 with total area 6,010 Ha and 18,628 Ha</li> </ul>
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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 Initial Assessment

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
2015.01	2.2.2	<p><b>Legal Boundaries Monitoring System</b></p> <p>The company has not yet had a system/procedure regarding the maintenance of legal boundaries (such as maintenance period, personnel in charge, poles rehabilitation and so forth).</p>	PT. ATS	Minor	ASA-01	The company must demonstrate the system/procedure as a guide in the maintenance of legal boundaries for the entire area cultivated.	<p><b>Root of the Problem:</b> Legal boundaries maintenance is carried out by the Security as a part of the job. However, there is no SOP of Boundary Maintenance.</p> <p><b>Corrective Action:</b> Making SOP of Boundary Maintenance including maintenance period, personnel in charge and poles rehabilitation.</p> <p><b>Preventive Action:</b> Conducting dissemination to relevant parties related to SOP of Boundary Maintenance to ensure the implementation on the field.</p> <p><b>Observation on 26 April 2018:</b> Based on document review, the company has developed boundary borders procedure reff no. WI-KBN-PPB dated on 28 September 2016. Procedures has regulated how to monitoring and maintenance the boundaries but has not regulated period of monitoring. <b>Therefore, non-conformity no. 2015.01 with minor category are still open.</b></p> <p><b>ASA-1</b> Based on field visit to Petapahan 1 and 2</p>	Closed	April 16, 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>estate to surveillance availability and maintenance of boundary poles found that difference between number of boundary poles in legal document and physical number in field. Besides that, the boundary poles poorly maintained (pole numbers and information are difficult to read and paint is faded). <b>Noncompliance No. 2015.01 indicator minor raised to major</b></p> <p><b>Verification March 26, 2019</b>            The company has shown proof of improvement in the form of:</p> <ol style="list-style-type: none"> <li>1. Report on monitoring and maintenance plans for HGU boundaries at PT Arindo Trisejahtera Kebun Petapahan 1 and 2 for the period of March 2019.</li> <li>2. HGU monitoring program in 2019 with activities:               <ol style="list-style-type: none"> <li>a. Monitoring of boundary stakes by security every month.</li> <li>b. Painting stakes once a year by technical assistants.</li> <li>c. Care and cleaning of weeds once a year.</li> </ol> </li> </ol> <p>Based on these records, no explanation is available regarding the stake number that will be used in monitoring activities. Using number from Land Agency or from new numbering.</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>Changing PT ATS HGU stake numbers is adjusted to SK HGU (numbering from BPN) according to corrective and corrective actions. <b>Based on these records, this non-conformity has not been fulfilled.</b></p> <p><b>Major Verification April 16, 2019</b> Based on the results of the field visit the auditor team took a sampling of 4 stakes in the ATS-1 Estate (No. IV, AT133, AT131, and No. 05) and as many as 3 stakes in the ATS-2 Estate (No. 04, No. 25, and ATS02 ) has been in accordance with the numbering in the field with the HGU marking document from the Land Agency. <b>Based on evidence of this improvement, this non-conformity was declared fulfilled. The effectiveness of preventive measures will be observed again during the next visit.</b></p>		
2015.02	4.3.1	<p><b>Marginal land map</b> Company has not been able to show the marginal land map as a guide to control erosion and soil degradation.</p>	Estate	Major	Before the report is submitted	The company must be able to show the marginal land map as a guide to control erosion and soil degradation.	<p><b>Root of the Problem:</b> Soil analysis was conducted partially in 2012 but has not yet resulted in the overall marginal land map.</p> <p><b>Corrective Action:</b> Marginal land map and its description for the area of PT ATS will be provided.</p> <p><b>Preventive Action:</b> Conducting dissemination of the result of periodic soil analysis to plantation</p>	Closed	30/08/2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>management particularly on the location and marginal land management</p> <p><b>Observation on 27 June 2015:</b>            There is evidence of improvement in the forms of Soil Distribution Map of ATS1 and Soil Distribution Map of ATS 2 in the scale of 1: 20,000 from Research % Development – Soil Survey and Land Evaluation, along with the samples of each type of soil from the estates of ATS 1 and ATS 2. The description of soil profile showed that the type of soil is sandy, namely: the sample of soil at Block 16 ATS 2 is included in the type of Dystrudepts (PPT Classification: Kambisol District) and the sample of soil at Block 90 ATS 2 is included in the type of Aeric Endoaquepts (PPT Classification: Gleisol District). However, the evidence of improvement has not clearly informed the location and the area of the sandy soil type.</p> <p><b>Observation on 30 August 2015:</b>            There is evidence of improvement in the forms of soil distribution map of PT Arindo Trisejahtera, Petapahan 1 Estate and Petapahan 2 Estate in the scale of 1: 60,000 from Research &amp; Development – Soil Survey and Land Evaluation. Marginal land in Petapahan 1 Estate is covering an area of 484.69 Ha and in Petapahan 2 Estate is covering an area of 266.91 Ha. The marginal</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>land is included in the type of Aeric Endoaquepts (USDA, 2014) or Gleison District (PPT, 1983). Based on the map, the marginal land is defined as the land located on the flat to wavy area and nearby the river, has sandy loam texture, crumb structure, with a crumbly consistency and drainage somewhat hampered so the roots of oil palm will not be found at the depth of 70 cm below the soil.</p> <p><b>Observation on April 25, 2018</b>            The marginal land maps are still the same as the previous corective action listed on the land distribution map of PT Arindo Trisejahtera, Petapahan 1 Estate and Petapahan 2 Estate with a scale of 1: 20.000 from Research &amp; Development - Soil survey &amp; Land evaluation. Marginal land in the form of sandy land in the Petapahan 1 Estate area of 484.69 Ha and in Petapahan 2 Estate covering 266.91 Ha.</p> <p>The Company has a Marginal Land Management SOP (No. MN.FR.COP.OPA.PLM dated July 1, 2012 which describes the management of sandy land by applying it by maintaining natural vegetation, using organic materials such as EFB application, fertilizing according to soil analysis results.</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>Based on visits in blocks 146 and 147 of Petapahan 1 Estate, it is known that the area has a sandy clay type and there has been a EFB application to increase nutrients.</p> <p><b>Auditor Conclusion:</b> Based on the evidence of improvement provided, the non-conformance No. 2015.02 is declared <b>Closed</b>.</p>		
2015.03	4.4.1	<p><b>Surface water quality monitoring</b></p> <ul style="list-style-type: none"> <li>Evidence of Dumai River (Petapahan 2 Estate) water quality monitoring has not been available in accordance with the document of DPPL in 2010.</li> <li>The company has not demonstrated the evidence and follow-up of Hitam River (Petapahan 2 Estate) water quality showing the parameter of BOD that exceeds the quality standard. It is not in accordance with the applicable standard (Government Regulation No 82 year 2001 class 2).</li> </ul>	Petapahan 2	Minor	ASA-01	<p>The company must show:</p> <ul style="list-style-type: none"> <li>River water quality monitoring in the plantation area.</li> <li>Evaluation and follow-up the result of surface water quality monitoring which is not in accordance with the quality standard.</li> </ul>	<p><b>Root of the Problem:</b></p> <ul style="list-style-type: none"> <li>Document of DPPL maps Dumai River in the area of PT ATS. However, when the location is observed there is no river found.</li> <li>Hitam River water quality is monitored near the time of the stage 2 audit so the evaluation to the test result has not been conducted yet.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>Revisiting the entire area of PT ATS to ensure the existence of Dumai River and reporting the minutes to relevant institution.</li> <li>Evaluating and following-up all the results of surface water quality monitoring particularly the result exceeding the quality standard.</li> </ul> <p><b>Preventive Action:</b></p> <ul style="list-style-type: none"> <li>Coordinating with government institution related to survey of Dumai River existence.</li> </ul>	Closed	March 13 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<ul style="list-style-type: none"> <li>Disseminating and training environmental officers to evaluate the result of environmental quality analysis.</li> </ul> <p><b>Observation on 26 April 2018:</b> Based on interview with Region Sustainability Head, Dumai river do not across in HGU area (Petapahan 2 Estate) as mentioned in the DPPL document. The company has conducted overlay between HGU map and landsat image to find the existence of Dumai river as mention in DPPL documents. But, the identification report has not been reported to relevant agencies. <b>Therefore, non-conformity no. 2015.03 with minor category are still open.</b></p> <p><b>Observation on March 13 2019</b> Company shown evidence regarding this NC by providing water sources identification report that stated that current natural riverine that exist in compnay operational areas are Hitam river and Tapung river (outside HGU). Meanwhile for Dumai river, based on overlay indicates this river are located far away from company operational areas. This report has been submitted to Riau province environmental agency on 2019. <b>Therefore NC 2015.04 are closed</b></p>		
2015.04	4.7.2	Work environment cleanliness. Potential safety and health problems caused by unsafe	PKS ATS	Major	Before the report	The company must demonstrate evidence of identification, follow-up	<p><b>Root of the Problem:</b> Foremen at sterilizer and clarification station have not been properly observed the</p>	Closed	27 July 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		occupational environment have not been handled properly as shown at the time of field observation in the processing station (from sterilizer to clarification), as well as chemical and central fertilizer warehouse of the POM.			is submitted	plan and management of potential occupational health and safety problem due to unsafe and unsanitary workplace.	<p>cleanliness of the workplace. Head of mill chemicals warehouse and Head of Petapahan 1 estate warehouse have not properly observed the cleanliness of the warehouse at the time of the entry and expenditure of the materials.</p> <p><b>Corrective Action:</b> Cleaning the workplace in the sterilizer station, clarification station, chemical warehouse of the mill, central fertilizer warehouse of the estate as well as conducting dissemination on the cleanliness of the workplace.</p> <p><b>Preventive Action:</b> Conducting a field observation every day in the area of sterilizer station, clarification station, chemical warehouse of the mill, central fertilizer warehouse of the estate by using a cleaning schedule.</p> <p><b>Auditor Response 27 July 2015:</b> There has been evidence of improvement in the form of environmental management and ensure that the work environment does not interfere with the occupational health and safety for the workers. There are photos of the mill environment condition after treatment (becomes clean, safe and comfortable). For example, in the dictation sterilizer, clarification and chemical</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>warehouse. The company also conducted dissemination related to the cleanliness management of the workplace to workers on 8 June 2015 attended by 17 participants. Thus, the non-conformance is declared closed.</p> <p><b>Observation on April 26, 2018</b> Based on field visits at the mill, fertilizer warehouse and pesticide warehouse, it is observed that the working environment condition has been well organized and not indicated any potential health problems, for example in sterilizer condition there is no oil spilled, the fertilizer and pesticide arrangement have been well organized and in pile fertilizer has been coated with a tarpaulin to avoid fertilizer spills.</p> <p>The Company also shows evidence of work environment inspection in the Document of Occupational Safety and Health Inspection, for example on the Estate warehouse area conducted on March 23, 2018.</p> <p>Based on the explanation, this non-conformity is stated Fulfilled</p>		
2015.05	4.7.3	<p><b>Implementation of the proper use of protective equipment to workers.</b></p> <ul style="list-style-type: none"> <li>- In the activities of processing, it is known that employees have</li> </ul>	Mill and Estate	Major	Before the report is submitted	The company must be able to show evidence that there are PPEs for all workers and they are used properly according to the	<p><b>Root of the Problem:</b> Foreman in sterilizer station of Petapahan 1 and foreman of workshop in Petapahan 2 estate are less considered to the hazardous identification, such as workers do not wear</p>	Closed	27 July 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		<p>not been disciplined in using personal protective equipment. For example the sterilizer station operators do not wear earplugs when operating the machine.</p> <ul style="list-style-type: none"> <li>- The result of interview with the workers in Petapahan 2 workshop showed that PPE for welders (welding clothes) are not yet available.</li> </ul>			ed	<p>job risks. Workers should also obtain training for safety practices in operating machines.</p>	<p>PPE (earplugs) in sterilizer area. Welders also do not wear apron/welding clothes at the estate workshop.</p> <p><b>Corrective Action:</b> Disseminating the workers regarding PPE and its benefits for them.</p> <p><b>Preventive Action:</b> Observing workers so they can use PPE every day.</p> <p><b>Auditor response on 27 July 2018</b> The company has demonstrated evidence in the form of minutes of dissemination on the use of PPE on 8 June 2015 for mill workers particularly 3 sterilizer station workers and 11 workers of the Petapahan 2 workshop. Attendance list, photos of the event and dissemination reports are attached on the minutes. Based on this evidence the non-conformance is met.</p> <p><b>Observation on April 26, 2018</b> The company shows the latest PPE Acceptance List, for example on 05 January 2018 to the process workers with helmet, shoes, gloves, masks and earplugs.</p> <p>Based on visits to mill areas, workshops, spray activities in block 146, harvesting activities in block 157 of Petapahan 1 Estate,</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>it is known that workers have used PPE in accordance with risk identification eg spray has used apron, mask, rubber gloves, helmet with protective glass, in the workshop for the welder has been equipped with welding clothes and engine room operator has been equipped with ear muff.</p> <p>Based on the explanation, then this non-conformity is stated fulfilled</p>		
2015.06	4.7.5	<p><b>First Aid Emergency at Work</b></p> <ul style="list-style-type: none"> <li>- From the field observation at the mill, warehouse and workshop of Petapahan 2 as well at the spraying activity at Petapahan 1 Block 90 AFD II, it is known that there is no evidence of monitoring and the completeness of first aid emergency tools (only 5 items)</li> <li>- From the document study and interview with the employees living in Afdeling 3 Petapahan 1, the dissemination and understanding of the procedure of emergency handling such as fires have not been entirely conducted.</li> </ul>	Mill and Estate of Petapahan 2	Minor	ASA-01	Adequate first aid emergency equipment should be available, so is the procedure of emergency handling at work.	<p><b>Root of the problem:</b></p> <ul style="list-style-type: none"> <li>- First aid emergency equipment provided by health division of the Guiding Committee of OHS are minimum portable equipment therefore not in accordance with relevant regulation.</li> <li>- Dissemination of emergency response has been intensively conducted to all workers but has not been entirely understood.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- Providing first aid emergency equipment in accordance with applicable regulation and carrying out monthly monitoring to the completeness.</li> <li>- Disseminating all workers and their families using the method of field practice in each afdeling.</li> </ul> <p><b>Preventive Action:</b></p>	Closed	April 16, 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<ul style="list-style-type: none"> <li>- Officer from health division of Guiding Committee of OHS will periodically monitor the completeness of first aid emergency equipment.</li> <li>- Regularly inspecting the preparedness of emergency response from each afdeling.</li> </ul> <p><b>Verification on March 14, 2019</b> The company has provided proof of improvement in the form of first aid training recordings that were conducted on September 18, 2018 which was attended by 26 participants. However, the company has not been able to show proof of other compliance with the root of the problem, corrective and corrective actions given. The nonconformity No. 2015.06 <b>has not been fulfilled.</b></p> <p><b>ASA-1</b></p> <ul style="list-style-type: none"> <li>• Based on the results of field observations at Petapahan 1 Estate and mill it is known that the contents of the first aid kit are not in accordance with the Circular of the determination of the contents of the first aid kit in accordance with the legislation.</li> <li>• The company already has an Emergency and Responsibility procedure that explains that emergency response infrastructure must be monitored every month.</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>Based on this there is a non conformity :</p> <ul style="list-style-type: none"> <li>• There is no mechanism for monitoring the completeness of the contents of the first aid kit in accordance with the management circular regarding the contents of the first aid kit</li> <li>• It has not yet been proven that monitoring of emergency response facilities must be monitored every 3 months, besides that the list of infrastructure facilities has not been shown.</li> </ul> <p><b>Based on these records, this non conformity is stated to have not been fulfilled and has become a major nonconformity.</b></p> <p><b>Verification on March 23, 2019</b>            The company has shown proof of improvement in the form of:            Checklist and monitoring of first aid kits as many as 29 units in the estate and mill carried out on March 18, 2019.            Circular letter related to the contents of first aid kit with No. PH / SE / 02 / III / 2019 dated March 13, 2019 with a total of 21 items            Documentation in the form of photos for the availability of 29 first aid kits in the estate and mill.            Document monitoring emergency</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>response equipment such as APAR, Hydrant and fire fighting equipment in March 2019 which was carried out on March 18, 2019</p> <p>Land and estate fire control training at Petapahan 1 Estate on November 6, 2018 which was attended by 21 participants</p> <p>Land and estate fire control training at Petapahan 2 Estate on November 5, 2018 which was attended by 19 participants</p> <p>Training on mill fires on April 20, 2018 which was attended by 17 participants.</p> <p><i>However, there is still some information needed by auditors related to the determination of root causes, corrective and corrective actions. <b>Based on this, the non-conformity No. 2015.06 have not been fulfilled.</b></i></p> <p><b>Verification on April 8, 2019</b> The company has provided proof of improvement in the form of:</p> <ul style="list-style-type: none"> <li>- Register SPO Regulation Form (EMS.LRR-2) in 2019 for renewal of company policies related to applicable regulations.</li> <li>- Evaluation of officers and workers' understanding of first aid training conducted on January 29-30 2019 at ATS-1, ATS-2 and ATS Mill.</li> <li>- Evaluation of officers and workers'</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>understanding of Emergency Response training conducted on 29-30 January 2019 at ATS-1, ATS-2 and ATS Mill.</p> <ul style="list-style-type: none"> <li>- Evaluation of officers and workers' understanding of training in monitoring emergency response equipment and the contents of first aid kits that were carried out on April 2, 2019 at ATS-1, ATS-2 and ATS Mill.</li> </ul> <p>Based on the proof of improvement above, there are still a number of things that have not been shown to the auditor related to:</p> <ul style="list-style-type: none"> <li>- Determination of the root cause of the problem in accordance with the answers given for the auditor's response</li> <li>- Proof of first aid training refreshment records and emergency response in accordance with the determination of corrective actions</li> <li>- Proof of refreshment training monitoring the contents of first aid kits and emergency response equipment in accordance with the determination of corrective actions</li> <li>- Evidence of first aid training and emergency response refreshment programs in accordance with corrective action determination</li> </ul> <p>Based on this, the non-conformity No. 2015.06 <b>have not been fulfilled.</b></p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p><b>Major Verification April 16, 2019</b>            Based on the results of field visits and field observations, it is known that:</p> <ul style="list-style-type: none"> <li>- First aid kits are equipped and the contents are in accordance with national regulations related to first aid kits in working space.</li> <li>- The company has conducted training on first aid and fire emergency response simulations along with socialization to workers on March 18, 2019 (ATS-1 and mill) and March 19, 2019 at ATS-2.</li> <li>- Emergency response and fire infrastructure facilities in ATS-1 and ATS-2 are in good condition and can be used at any time according to the results of monitoring on March 18, 2019.</li> <li>- The company has shown proof of evaluation of workers' understanding related to first aid training materials and fire emergency response simulations on April 2, 2019.</li> <li>- Regular monitoring of the contents of the first aid kit according to the prescribed table of contents.</li> <li>- 2019 refreshment training program for first aid training and emergency response activities.</li> <li>- Monitoring of ATS-1, ATS-2 and Mill</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>emergency response and fire infrastructure facilities on March 18, 2019</p> <ul style="list-style-type: none"> <li>- Circular Letter No. PH / SE / 01 / IV / 2019 dated 15 April 2019 concerning monitoring of fire extinguishers and emergency response every 1 month</li> </ul> <p><b>Based on the evidence of the improvements given and the results of the field visits mentioned above, the non-conformity No. 2015.06 declared fulfilled.</b></p>		
2015.07	4.7.6	<p><b>Occupational accident insurance for KHL.</b></p> <p>Based on the interview with the representative of management as well as the study on employees' payroll document, the company has not yet registered the KHL workers in the program of occupational accident insurance.</p>	Estate	Minor	ASA-01	The company should have evidence that all workers have already had accident insurance.	<p><b>Root of the Problem:</b></p> <p>Daily casual employees are the responsibility of the contractors who had signed the work agreement with the company. One of the clauses is that they have to be registered in workers' insurance.</p> <p><b>Corrective Action:</b></p> <p>Evaluating the contractors regarding the fulfillment of the agreement particularly the clause of providing occupational accident insurance.</p> <p><b>Preventive Action:</b></p> <p>Giving warning to contractors who do not meet the employment agreement regarding the provision of occupational accident; terminating the employment relation if they ignore the warning.</p>	Closed	April 16, 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p><b>ASA-1</b>            The company has cooperation with contractors for the company's operational activities such as CV Teman Setia, CV Trans Cargo Logistics, CV Duta Teknik, CV Olla Group, CV Putra Rokan and PT Bangun Persada. The agreement states that the contractor must comply with all existing labor regulations. Based on the results of the document review, it is known that the company has not been able to show evidence that the contractors have included their workers in the BPJS Health and Employment assurance.</p> <p>The company has not been able to show an evaluation of the contractor related to the fulfillment of the agreements contained in the SPK (Work Agreement) for labor protection.</p> <p><b>Based on these records, this non conformity is stated to have not been fulfilled and has become a major nonconformity.</b></p> <p><b>Verification on March 23, 2019</b>            The company shows proof of improvement in the form of:</p> <ul style="list-style-type: none"> <li>- Certificate that 3 contractors namely CV Duta Teknik, CV Olla Group, and PT Bangun Sari Perkasa have expired (ended on December 31, 2018) so</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>that workers from the contractor are no longer working at PT Arindo Trisejahtera operational environment.</p> <ul style="list-style-type: none"> <li>- Contract evaluation / review form for reference in evaluating contractors related to fulfillment in the work agreement</li> <li>- Proof of Payment for BPJS Health and Employment for the period of March 2019 CV Putra Rokan for 23 workers on March 10, 2019.</li> <li>- Proof of Payment of BPJS Health for March 2019 CV Trans Cargo Logistics for 37 workers on March 10, 2019 and BPJS Employment on February 26, 2019.</li> <li>- Proof of Payment of BPJS Kesehatan for February 2019 CV Teman Setia for 481 workers on February 4, 2019 and BPJS Employment on March 5, 2019.</li> </ul> <p>However, there is still some information needed by auditors related to the determination of root causes, corrective and corrective actions. <b>Based on this, the non-conformity No. 2015.07 have not been fulfilled.</b></p> <p><b>Verification on April 8, 2019</b> The company has provided proof of improvement in the form of:</p> <ul style="list-style-type: none"> <li>- Supplier and Contractor Performance</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>Evaluation SOP (LGT-KSK-3) revision 1 dated September 1, 2008</p> <ul style="list-style-type: none"> <li>- Evaluation of contractor performance for CV Duta Teknik, CV Olla Group and PT Bangun Sari Perkasa</li> <li>- Manufacture Request Form / Draft Review Agreement &amp; Other Legal Documents in 2019</li> </ul> <p>Based on the evidence of the improvements given above, there are still some shortcomings related to:</p> <ul style="list-style-type: none"> <li>- Determination of root problems related to designated PIC</li> <li>- Proof of revised SOP Evaluation of Supplier and Contractor Performance that has been added in accordance with the specified corrective action</li> <li>- Evidence of performance evaluations for other vendors / contractors such as CV Teman Setia, CV Putra Rokan, and CV Trans Cargo Logistics according to specified corrective actions</li> <li>- Evidence of the corrective action that has been taken</li> </ul> <p><b>Based on the explanation above, the non-conformity No. 2015.07 have not been fulfilled.</b></p> <p><b>Major Verification April 16, 2019</b> Based on the results of the document review,</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>it is known that the company has shown proof of BPJS Employment payments for workers from the contractors such as CV Teman Setia, CV Putra Rokan and CV Trans Kargo.</p> <p>The payment is for the period of January to February 2019. In addition, the company has a contract evaluation/review form which will be used as a review form before the cooperation is agreed by both parties.</p> <p><b>Based on the explanation above, then non-conformity No. 2015.07 declared fulfilled.</b></p>		
2015.08	5.1.3	<p><b>Environmental management and monitoring reports</b></p> <p>The company has not managed and monitored the environment as recommended by RKL/RPL/DPPL on the aspects as follows:</p> <ul style="list-style-type: none"> <li>Quality testing of Tapung River is performed every 6 months, not <b>every 3 months</b> in accordance with the direction of RKL/RPL.</li> <li>There is no evidence available regarding sedimentation measurement in the river flow.</li> <li>Noise testing is performed every 6 months, not <b>every 3 months</b> in accordance with the direction of RKL/RPL.</li> <li>The company has not showed</li> </ul>	POM & Estate	Minor	ASA-01	<p>The company must be able to demonstrate that all activities of environmental management and monitoring have been carried out in accordance with recommendation in RKL/RPL/DPPL.</p>	<p><b>Root of the Problem:</b> Incomplete monitoring in Semester II/2014 due to the lack of attention to the recommendation of the matrix of RKL RPL DPPL.</p> <p><b>Corrective Action:</b> Environmental monitoring has been conducted in accordance with the recommendation of RKL RPL DPPL and will be set forth in the report of Semester I 2015 published in August 2015.</p> <p><b>Corrective Action:</b> Adjusting the implementation of environmental management and monitoring of PT ATS with document of RKL RPL DPPL available, including the period of testing.</p>	Closed	March 13 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		<p>the result of ground water quality testing in the mess of employees and on community wells which is held <b>once in 6 months</b>.</p> <ul style="list-style-type: none"> <li>Plankton/benthos quality testing in Tapung River is still performed every 6 months, not <b>every 3 months</b> as directed in RKL/RPL.</li> <li>Upstream and downstream testing of the water quality of Hitam River and Dumai River has not been conducted <b>every 6 months</b>.</li> <li>Plankton/benthos testing on the upstream and downstream of Hitam River is <b>every 3 months</b>.</li> <li>Evidence of social impact management and monitoring in the form of perception and the change of public attitude has not been included in the routine implementation report of RK/RPL.</li> </ul>					<p><b>Observation on 26 April 2018:</b> The company has showed Environmental Management Plan and Environmental Monitoring Plan Report that conducted every semester (6 month). This EMP report has submitted to relevan stakeholders. Based on document review, all environmental monitoring matrix has been monitoring yet, such as aquatic biota was still monitored every semester but in EIA are required every 3 months. <b>Therefore, non-conformity no. 2015.08 with minor category are still open.</b></p> <p><b>Observation on April 14 2019</b> Company has shown regular testing related plankton, benthos, and nekton for Tapung river and Hitam river per three month basis. <b>Regarding this NC 2015.08 are closed</b></p>		
2015.09	5.3.1	<p><b>Source of waste identification</b> The company has procedure of waste management (FR.CSM.OP-1 dated 1 September 2011). However, this procedure does not explain source of waste identification and its management action in the mill, for</p>	PKS	Major	Before the report is submitted	The company must show the identification of the source of waste derived from POM operations and its management actions.	<p><b>Root of the Problem</b> Procedure of Waste Management FR.CSM.OP-1 does not in detail the management of boiler crust, boiler ash and boiler washing used water.</p> <p><b>Corrective Action:</b></p>	Closed	24 July 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		example, waste management related to boiler crust, boiler ash and boiler washing used water.					<p>Identification analysis of the source of waste in the form of boiler crust, boiler ash and boiler washing used water is available in the document of Environmental and Social Aspect and Impact Assessment for Palm Oil Mill completed with environmental impacts, consequences, the significant level and program of environmental management will be carried out.</p> <p><b>Preventive Action:</b> Revising the Procedure of Waste Management FR. CSM.OP-1 related to the management of boiler crust, boiler ash and boiler washing used water and conducting dissemination to the field management.</p> <p><b>Observation on 24 July 2015</b> The company demonstrated evidence of identification of the source of waste of POM ATS in the document of Environment and Social Impact Assessment for Palm Oil Mill in December 2014. Source of waste and pollution identification in the document includes all processing activities of POM starting from the weighbridge station to chemical warehouse. Waste identification at the boiler station resulted in the form of boiler ash, fiber burst, noise, the use of chemicals and boiler washing used water causing pollution of water, soil and air. Management actions</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>performed by the company are among others:</p> <ul style="list-style-type: none"> <li>Boiler ash: collection and routine cleaning, as well as application in the field as street-paving.</li> <li>Boiler washing water: Installation of water reservoir trap before the water is disposed into the ditch.</li> </ul> <p><b>Auditor conclusion :</b> The company has demonstrated identification of the source of all waste derived from POM operations and its management actions. <b>Non-conformance No. 2015.09 is declared Closed.</b></p> <p><b>Observation on 26 April 2018</b> The company has conducted corrective action for non-conformity no. 2015.09. List of waste products and pollution source were available on Waste Management Procedure Ref FR.CSM.OP-1 dated 1 September 2011 and Environment and Social Aspect Impact Assessment for palm Oil Mill issued on Dec 2017 (FR.ESM.EAI-3a/1-0/01-08-2011). <b>Therefore, non-conformity no. 2015.09 has closed.</b></p>		
2015.10	5.3.3	<p><b>Handling the potential waste pollution in the mill and estate</b></p> <ul style="list-style-type: none"> <li>Facility of waste management (WWTP) of POM ATS is located near the Tapung River flow.</li> </ul>	POM ATS	Minor	ASA-01	<ul style="list-style-type: none"> <li>The company should demonstrate evidence of document containing analysis and plan of risk</li> </ul>	<p><b>Root of the Problem:</b></p> <ul style="list-style-type: none"> <li>POM only piled and elevated the ground at the edge of WWTP as an act of contamination risk handling in case</li> </ul>	Closed	16 April 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		<p>However, there is no evidence of the analysis and plan of risk handling of the river contamination in case of leakage/waste burst from the WWTP.</p> <ul style="list-style-type: none"> <li>The company has not yet demonstrated evidence of waste water management and monitoring from the mill particularly the waste from boiler and drainage.</li> <li>Field observation in hazardous waste temporary warehouse (TPS LB3) in Petapahan 2 Estate showed that there is used oil that has not been properly managed in accordance with the established procedure (the used oil is put outside the warehouse).</li> </ul>				<p>handling of the pollution due to waste leakage.</p> <ul style="list-style-type: none"> <li>The company must manage all hazardous waste resulted in accordance with applicable regulation.</li> </ul>	<p>of leakage, but has not entirely analyzed the risk handling mentioned.</p> <ul style="list-style-type: none"> <li>Lack of control to waste water quality monitoring from POM to nature.</li> <li>Lack of understanding of the officers of TPS LB3 who put the used oil into a storage drum in front of the warehouse.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>There will be analysis of the WWTP contamination risk to the river and the company plants vetiver grass in order to strengthen the embankment of WWTP near the river.</li> <li>Analyzing the wastewater of the boiler and drainage before disposing it to nature.</li> <li>Putting the drum of used oil into the warehouse.</li> </ul> <p><b>Preventive Action:</b></p> <ul style="list-style-type: none"> <li>Thickening the ground stockpile around the WWTP near the river and planting plants to prevent erosion.</li> <li>Making 'water trap' in wastewater channel of POM that will be disposed to nature and evaluating the result of wastewater quality analysis.</li> <li>Disseminating procedure of waste handling to officers of TPS LB3.</li> </ul> <p><b>Observation on 26 April 2018</b> The company has conducted corrective action for non-conformity no. 2015.09. List of waste products and pollution source were</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>available on Waste Management Procedure Ref FR.CSM.OP-1 dated 1 September 2011 and Environment and Social Aspect Impact Assessment for palm Oil Mill issued on Dec 2017 (FR.ESM.EAI-3a/1-0/01-08-2011). Based on visit to Palm Oil Mill at Petapahan 1 Estrate, empty oil container/drum are still used for other purpose. <b>Therefore, non-conformity no. 2015.10 with minor category are still open.</b></p> <p><b>Observation on March 14, 2019</b> Company has waste source identification and waste management that listed on waste management procedures FR.CSM.OP-1. Field observation during ASA-1 on AFD IV ATS-2 estate shown that hazardous waste utilization as water containers on estate housing are still presence. Regarding this company are not able to shown overall proper ways related waste management implementation based on current procedures. <b>This become NC 2015.10 with minor raised to major category.</b></p> <p><b>Observation on March 27 2019</b> Company shown circular letter no PH/SE/03/III/2019 dated March 13 2019 from Group manager regarding provision for ex hazardous waste utilization. Company also shown evidence for ex lubricants container pull out from workers housing, and</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>temporary hazardous waste logbook for ex lubricants containers that stored in temporary hazardous waste storage.</p> <p><b>Verification major on April 16 2019</b> Based on field observation on workers housing on ATS-1 and ATS-2 estate found there is no any ex lubricants container are to be used for other purposed. Based on interview with housing residents also found that company has conduct socialization related prohibition for all ex agrochemical and ex lubricant containers usage for other household purposes. Based in this explanation, <b>NCR 2015.10 are closed</b></p>		
2015.11	5.6.3	<p><b>Reporting of the GHG emission calculation</b> The company has conducted emission calculation based on the standard of ISCC 205. However, the results of monitoring and GHG emission calculation from the company's operations have not been reported to the RSPO.</p>	PT ATS	Minor	ASA-01	The company should be able to show evidence of having reported the GHG calculations to the RSPO	<p><b>Observation on 27 April 2018:</b> Based on announcement on 14 December 2016, it is explained that from 01 January 2017 reporting for GHG summary calculations is as part of the annual summary report on criterion 5.6.</p> <p>Company has shown GHG calculations for the period 2017 using Palm GHG Calculator V3 and calculation results have been submitted in a report on the criteria 5.6.</p> <p>Based on the explanation then this nonconformity is stated fulfilled.</p>	Closed	27 April 2018
2015.12	6.2.3	<p><b>Response to the letters from stakeholders.</b> There was Letter of Request sent</p>	Petapa han 1 Estate	Minor	ASA-01	PT Arindo Trisejahtera must be able to show evidence of responses and	<p><b>Root of the Problem:</b> The period of time to response information from stakeholders is 6 months.</p>	Closed	27 July 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		on 19 March 2015 by SMK Negeri 1 Tapung Hulu. It is not responded yet by PT Arindo Trisejahtera.				confirmation of all letters or information requests coming from the company stakeholders.	<p><b>Corrective Action:</b> Sending a reply letter to SMK Negeri Tapung Hulu on 6 June 2015.</p> <p><b>Observation on 27 July 2015</b> The company showed evidence of the response to Request Letter sent on 19 March 2015 by SMK Negeri 1 Tapung Hulu with the No. ATS/Int/131/VI/2015 ratified by estate manager group of PTA TS and evidence of the receipt on 6 June 2015 by SMKN 1 Tapung Hulu. In the response, the company delivered several things such as:</p> <ul style="list-style-type: none"> <li>• In principle, PT ATS supports the proposal of SMKN 1 Tapung Hulu on the construction of 3 new local rooms.</li> <li>• The company has not been able to realize the proposal since it is not set in the fiscal year 2015. The company will budget the proposal of assistance in the fiscal year 2016.</li> </ul> <p><b>Observation on 26 April 2018:</b> The company has shown a response to application letters from SMK Neg 1 Tapung Hulu dated on 19 March 2015 by reff no. ATS/Int/131/VI/2015 dated on 6 June 2015. The company has also developend and evaluated respond matrix to find out the response time of incoming letters/proposals. For period 2015-2017, response time are 1</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>weeks till 1 months. Based on the explanation, <b>Non-conformance of 2015.12 is declared Closed</b></p> <p><b>Preventive Action:</b> Evaluating the period of time to response inputs from stakeholders.</p> <p><b>Auditor Conclusion :</b> Based on the information above <b>Non-conformance of 2015.12 is declared Closed</b></p>		
2015.13	6.3.1	<p><b>Grievance mechanism</b></p> <p>a) The grievance procedure does not explain the guarantee of anonymity of the whistleblower.</p> <p>b) PT Arindo Trisejahtera has not been able to provide evidence related to the dissemination of grievance mechanism based on the result of public consultation with stakeholders (surrounding community).</p>	PT. ATS	Major	Before the report is submitted	The company must be able to show evidence of evaluation related the dissemination of grievance mechanism to stakeholders including the guarantee anonymity of the whistleblower.	<p><b>Root of the Problem:</b></p> <ul style="list-style-type: none"> <li>- Procedure of whistleblower anonymity only applies for internal people of the company reporting to Department of Internal Audit and does not include others who complain.</li> <li>- General officers conducting the dissemination of grievance mechanism do not know that evaluation related to the result of dissemination is needed to be done.</li> </ul> <p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>- Revising the SOP related to public complaint submission particularly in terms of the anonymity of whistleblower.</li> <li>- Evaluating public understanding that has been disseminated regarding procedure of grievance submission.</li> </ul>	Closed	11 September 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p><b>Observation on 27 July 2015</b></p> <p>a) The company has not demonstrated the procedure of grievance submission explaining the guarantee of anonymity of the whistleblower.</p> <p>b) The company showed evidence of communication and grievance mechanism evaluation document and responses to PT ATS. Chapter III of the document describes the aspects evaluated such as communication program with the stakeholders and its results, for example, the aspects showed that 85.01% of the stakeholders generally understand the procedure of grievance submission and responses.</p> <p><b>Observation on 26 April 2018</b></p> <p>The company has revised communication procedure reff no. FR.EMS.CIE dated on 29 July 2011 (Rev1). In clause no. 3.15, company's management will provide anonymous quarantees of complainment (whistleblower) including confidentiality, safety, reputation to any stakeholders who conveys confidential information to the company.</p> <p>The company has also evaluated for communication and every complaint submission every 2 years. Communication and compliant handling evaluating were</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>available for 2015 and 2017. <b>Therefore, non-conformity no. 2015.13 has closed.</b></p> <p><b>Preventive Action:</b></p> <ul style="list-style-type: none"> <li>- Disseminating the community related to the anonymity of the whistleblower in the procedure of grievance submission and evaluating public understanding on a regular basis.</li> </ul> <p><b>Auditor Conclusion:</b></p> <p>The company has demonstrated the Procedure of grievance submission explaining the guarantee of anonymity of the whistleblower. <b>Non-conformance No. 2015.13 is declared Closed.</b></p>		
2015.14	6.5.3	<p><b>Clean water provision</b></p> <p>The results of clean water resource testing (wells) in Petapahan 1 Estate indicated that there are parameters which do not in according to the regulation of clean water quality standard set in the Regulation of Health Minister 416 year 1990, such as parameter of color and nitrate.</p> <p>However, the company has not demonstrated the evaluation and follow-up of the handling of clean water that does not comply with quality standard.</p>	Petapahan 1 Estate	Minor	ASA-01	The company must show evidence of evaluation and follow-up on the results of the monitoring of surface water quality that does not comply with the standard.	<p><b>Root of the Problem:</b></p> <p>Quality testing of public wells is conducted in response to the RSPO audit stage I and in a short time so the officers have not yet evaluated the result of the field testing.</p> <p><b>Corrective Action:</b></p> <p>Evaluating the incompatible value of nitrate and color.</p> <p><b>Preventive Action:</b></p> <p>Increasing the capacity of environmental officers by providing training and reporting practices as well as environmental evaluation.</p>	Closed	April 16, 2019

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p><b>Verification on March 14, 2019</b>            The company has provided proof of repairs in the form of settlement water test results in Petapahan 1 and 2 Estate for the first and second semester periods of 2018. However, the company has not been able to show evidence of other compliance with the root causes, corrective and corrective actions given. Then nonconformity No. 2015.14 <b>have not been fulfilled.</b></p> <p><b>ASA-1</b>            Based on the results of field observations and interviews with housing residents in the Afdeling 4, Petapahan 2 Estate. It is known that water supply is not sufficient for daily needs during the dry season, in housing ATS 1 AFD 4 the condition of septic tanks is damaged, drainage does not work properly not well maintained.</p> <p>The company has not been able to show that the company has provided adequate housing and sufficient water supplies.  <b>Based on these records, this nonconformity is stated to have not been fulfilled and has become a major nonconformity.</b></p> <p><b>Verification on March 23, 2019</b>            The company has sent proof of improvement in the form of:</p>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<ul style="list-style-type: none"> <li>- Housing improvement documents that have damage to septic tanks</li> <li>- Results of testing clean water in ATS-1 and ATS-2 housing</li> <li>- Results of evaluation of clean water testing at the house of ATS-1 and ATS-2</li> </ul> <p><i>However, there is still some information needed by auditors related to the determination of root causes, corrective and corrective actions. <b>Based on this, the non-conformity No. 2015.10 have not been fulfilled.</b></i></p> <p><b>Verification on April 8, 2019</b> The company shows proof of improvement in the form of:</p> <ul style="list-style-type: none"> <li>- Training certificate for sampling surface water, ground water and waste water for environmental officials</li> <li>- Certificate of training in the basics of environmental impact analysis for environmental officers</li> <li>- Special training certificates for preparing environmental permit reports and reporting mechanisms electronically for environmental officers</li> <li>- Job Description for designated environmental officers</li> <li>- The company has a procedure for testing clean water in employee housing that is conducted every semester after</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>testing clean water and is listed in the RKL-RPL report.</p> <p>In addition, the company has determined the root of the problem, corrective and corrective actions, but the company has not shown the following evidence:</p> <ul style="list-style-type: none"> <li>- Determination of root causes, corrective and corrective actions for nonconformities in 2019</li> <li>- Records of training activities related to evaluation of test results based on GAP competencies</li> <li>- Training program according to GAP Competence for related PIC</li> </ul> <p>Based on this explanation, the non-conformity No. 2015.10 <b>have not been fulfilled.</b></p> <p><b>Major Verification April 16, 2019</b> Based on the results of field observations and document studies, it is known that the company has made several improvements, namely:</p> <ul style="list-style-type: none"> <li>- Sanitation conditions at home ATS-1 and ATS-2 are in good condition and clean, each house is given a trash can in the form of sacks to separate between organic and anorganic</li> <li>- The separation of organic and inorganic waste has been done at the location of the Waste Disposal Site</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<ul style="list-style-type: none"> <li>- Training records and GAP competencies for environmental officers during EIA certification training, environmental sampling techniques and SIMPEL and OSS training.</li> <li>- Environmental officer training program in 2018</li> <li>- Circular of domestic settlement water procurement No. PH / SE / 04 / III / 2019, which states that the company will provide water supply assistance based on reports of water shortages.</li> <li>- Dissemination of complaints mechanisms and domestic water supply circulars on April 15, 2019 in all houses of ATS-1, ATS-2 and Mill.</li> </ul> <p>In addition, based on the results of interviews with residents of the house, it is known that at present the water supply provided by the company is felt sufficient and if there is a lack of water during the dry season, workers can provide a complaint letter to the company regarding water availability which will be followed up. by providing clean water assistance in accordance with circulars that have been socialized. Based on the evidence of improvements given and <b>based on the results of the field visit, the non-conformity No. 2015.10 declared fulfilled.</b></p>		
2015.15	6.11.1	Participation of local communities (village residents)	PT Arindo	Minor	ASA-01	PT Arindo Trisejahtera should be able to show the	<p><b>Root of the Problem:</b> Program of local development is based on</p>	Closed	27 July 2015

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
		<p><b>in the program of local development.</b>            PT Arindo Trisejahtera has not been able to show the program of local development that has been evaluated based on the results of public consultation and communication.</p>	Trisejahtera			<p>program of local development based on the results of consultation and communication with targeted local communities.</p>	<p>the communication with the public in the midyear earlier but CSR officers have not implemented the evaluation.</p> <p><b>Corrective Action:</b>            Evaluating the program of local development with rural communities around as well as budgeting the CSR for the year 2016.</p> <p><b>Observation on 27 July 2015:</b>            The company showed evidence of evaluation document of the communication and grievance mechanism and responses for PT ATS. There is evidence of consultation and communication in the form of the photos of field visit and dissemination to communities, attendance lists of communication and consultation event, as well as the questionnaires for public. For example, consultation and communication with people of Rimba Beringin Village, Petapahan Jaya Village, Suka Makmur Sub-village and Kusau Makmur Sub-village was conducted on 17 June 2015.</p> <p><b>Observation on 26 April 2018</b>            CD-CSR evaluation for 2017 were available. Based on document review and interview, result of CD-CSR evaluation for 2017 as follow;</p> <ul style="list-style-type: none"> <li>✓ The involvement of stakeholders need to be further enhanced in the</li> </ul>		

NCR No	Ref Std	Findings	Area	Grade	Time Limit	Corrective Action	Observation	Status	Closing Date
							<p>implementation of CSR program activities.</p> <ul style="list-style-type: none"> <li>✓ Scholarsip program is very beneficial for surrounding communities</li> <li>✓ Monitoring and evaluation will be carry out periodically by region sustainability.</li> </ul> <p>The company has been developing CD-CSR program for 2018 such as scholarsip program for 40 childrens, try out sponsorship, movement of helathy school children program, entrepreneurship program etc.</p> <p><b>Preventive Action:</b> There will be revision related to the preparation of CSR budget in the middle of current year. The procedure will be added with evaluation of local development with surrounding communities.</p> <p><b>Auditor Conclusion:</b> Based on information above the non-conformance 2015.15 is declared Closed.</p>		

**3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-1 Assessment**

<b>NCR No.</b>	: 2019.01	<b>Issued by</b>	: Rindu Galih Rezza Rachmansyah
<b>Date Issued</b>	: 14 March 2019	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: April 16, 2019
<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		
<p><b>Evidence observed (filled by auditor):</b></p> <ul style="list-style-type: none"> <li>Based on the results of a public consultation with the Land Office of the Kampar Regency, it is known that the company has not yet submitted a mandatory report on land use of the HGU in 2018 in accordance with ATR Permen No. 07 of 2017 concerning Arrangements &amp; Procedures for Determining HGU.</li> <li>Based on the results of the document review it is known that the company has routinely sent mandatory reports such as RKL-RPL, hazardous waste management, and monitoring and processing of land application to the relevant agencies. However, the company has not been able to show other mandatory reports such as the obligation to report the workforce, recording workers with daily worker status and reporting the progress of the plantation business to the relevant agencies.</li> </ul> <p><b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show evidence that all mandatory reporting has been reported to relevant stakeholders (relevant government agencies).</p> <p><b>Root Cause Analysis (filled by organization audited):</b> The General Department which is responsible for updating mandatory reporting and reporting all mandatory reports to the relevant agency does not yet know the regulations regarding Peraturan Menteri ATR No. 07 of 2017.</p> <p><b>Correction (filled by organization audited):</b> The General Department updates and reports land use reports to land agency in accordance with ATR Regulation No. 07 of 2017 for PT ATS.</p> <p><b>Corrective Action (filled by organization audited):</b></p> <ul style="list-style-type: none"> <li>- Make a mandatory list of monitoring reports along with the maximum submission date to the relevant agency.</li> <li>- Report every beginning of January regarding reports on the utilization of HGU to land agency and other mandatory reports to the relevant agency in accordance with their respective reporting periods.</li> </ul> <p><b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Verification on April 8, 2019</b> The company has shown evidence in the form of PT Arindo Trisejahtera land use HGU reports along with proof of delivery to the Kampar Regency Land Office on April 2, 2019. However, there is still some information and evidence needed by the auditor team regarding the determination of root causes, corrective and corrective actions determined. <b>Based on this, the non-conformity No. 2019.01 have not been fulfilled.</b></p> <p><b>Major Verification April 16, 2019</b> The company has shown:</p> <ol style="list-style-type: none"> <li>SOP Legal Requirement No. FR.EMS.LRR (issued date 1st September 2011). In the job description clause 2, it is explained that Corporate Legal is responsible for preparing reports on compliance with regulations and reporting them to the competent authorities.</li> <li>Job Description of Corporate Legal Staff (issued date 1 August 2018), in the description of responsibilities and details of the letter "d, it is stated that: corporate legal staff are in charge of carrying out required reporting to the company in accordance with laws and regulations, accessing data and preparing periodic reporting.</li> </ol>			

3. The company has compiled a matrix of the mandatory annual reporting program of PT. Arindo Trisejahtera to related agencies. Among them are related to the reporting of RKL/RPL, waste quality standards, hazardous waste, reports on the use and utilization of HGU, mandatory report on employment etc.

**Based on evidence of this improvement, this non-conformity has not been fulfilled.**

**Verified by : Rindu Galih Rezza Rachmansyah**

<b>NCR No.</b>	<b>2019.02</b>	<b>Issued by</b>	<b>Rindu Galih Rezza Rachmansyah</b>
<b>Date Issued</b>	<b>15 March 2019</b>	<b>Time Limit</b>	<b>14 June 2019</b>
<b>NC Grade</b>	<b>Major</b>	<b>Date of Closing</b>	<b>16 April 2019</b>
<b>Standard Ref. &amp; Requirement</b>	<b>2.1.1 Evidence of compliance with relevant legal requirements shall be available</b>		
<b>Evidence observed (filled by auditor):</b>			
<ul style="list-style-type: none"> <li>Based on field observation and interview with welder in ATS POM known that he has no OHS license as welder. In line with document review, certificate holder has no welder that official had OHS license according to national regulation (labor ministry No. 02/1982 regarding to qualification of welder in work station).</li> <li>Based on field observation and interview with engine room operator in ATS POM known that he has no OHS license for power house and production unit handling officer. In line with document review, certificate holder has no OHS license for power house and production unit handling officer according to national regulation (labor ministry No. 04/1985 regarding to power house and production officer).</li> <li>Based on field observation and interview with dump truck operator in ATS POM known that he has no OHS license for heavy equipment operator. In line with document review, certificate holder has no operator that certified OHS license for heavy equipment operator according to according to national regulation (labor ministry No. 05/1985 regarding to heavy equipment operator).</li> <li>Based on field observation in ATS POM known that certificate holder had electricity installation with production machine such as turbin and generator in engine room. However, certificate holder has no certified OHS electrician according to national regulation (labor ministry No. 12/2015 regarding to OHS for electricity).</li> <li>Based on document verification and monitoring of certified OHS operator in PT Arindo Trisejahtera known that the company has no licensed operator for pressure vessel according to the national regulation (labor ministry No. 37/2016 regarding to operational letter for pressure vessel and storage tank).</li> </ul>			
<b>Non-Conformance Description (filled by auditor):</b>			
Certificate holder can not showed their evidence to comply with relevant legal requirements.			
<b>Root Cause Analysis (filled by organization audited):</b>			
<ul style="list-style-type: none"> <li>There was some change of organization due to mutation and new recruitment process in estate and mill especially for OHS licensed operator.</li> <li>Certificate holder has not a PIC to control OHS license.</li> </ul>			
<b>Correction (filled by organization audited):</b>			
<ul style="list-style-type: none"> <li>Re-verification of OHS license for operator in estate and mill especially during mutation or new recruitment process.</li> <li>Registering all related operator to attending training for certified OHS license operator.</li> <li>Appointed sustainability staff from Director Office of Riau as document control to monitoring certified OHS license operator.</li> <li>Provide monitoring checklist for certified OHS license operator in estate and mill.</li> </ul>			

**Corrective Action** (filled by organization audited):

- Registering and recapitulated name of operator, type of work, type of training needs, number and registration dated.
- Updating data of worker by monthly.

**Assessor Evaluation and Conclusion** (filled by auditor):

**Major Verification on 16 April 2019**

Based on document verification known that:

- List of operator that had OHS license in estate and mill in 2019.
- Job description of sustainability staff of Direction Office of Riau as PIC of OHS licence operator.
- Training program for OHS operator for financial year 2019 which covering heavy equipment operator, power house and production, steam kettle, pressure vessel, welder and electrician.
- Registering evidence for 3 operator to attending OHS training for steam kettle conducted by PT Arpindo Pratama (official OHS service provider) on 16 – 18 August 2019.
- Registering evidence for 3 operator to attending OHS training for heavy equipment conducted by PT Arpindo Pratama (official OHS service provider) on 12 -14 April 2019.
- Registering evidence for 1 operator to attending OHS training for power house and production conducted by PT Arpindo Pratama (official OHS service provider) on 11 – 13 October 2019.
- Registering evidence for 1 operator to attending OHS training for welder conducted by PT Arpindo Pratama (official OHS service provider) on 9 – 11 August 2019.
- Registering evidence for 1 operator to attending OHS training for electrician conducted by PT Arpindo Pratama (official OHS service provider) on 13 – 15 September 2019.

**Auditor's Conclusion on 16 April 2019**

Based on evidence above, this Nonconformity is **Closed with Observation**.

**Verified by** : Rindu Galih Rezza Rachmansyah

<b>NCR No.</b>	: 2019.03	<b>Issued by</b>	: Satria Adi Putra
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: 14 June 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 16 April 2019
<b>Standard Ref. &amp; Requirement</b>	: 4.1.4 Records of the origins of all third-party FFB sourced (collector, deliver, Cooperative, Farmers Association and outgrower) shall be available		
<b>Evidence observed</b> (filled by auditor): The company shows an SOP related to fruit receipts (No. MN.FR.COP.OPM.PNB Issue No. 1 dated 31 December 2015) which explains the mechanism for receiving fruit from outside parties, including FFB that enters from outgrowers from legal sources, installation of billboards which contains that the company / factory does not accept illegal fruit (from forest areas, HCV, stolen fruit and fruit from the area which is not permitted under applicable regulations). In addition, the company has shown a Letter of Agreement on the Processing of Palm Oil Fresh Fruit Bunches No: 002 / RAKA-FR / AF / TO.TBS / I / 2018			
<b>Non-Conformance Description</b> (filled by auditor): However, the company has not been able to show evidence that the Third Party Work Agreement includes a mechanism related to the source of FFB.			
<b>Root Cause Analysis</b> (filled by organization audited): The Company (Marketing Dept. and Research Dept.) do not understand the process of requiring outside fruit to be			

included in writing, until now the conditions for receiving outside fruit are only informed through informal (by phone and e-mail) before purchasing FFB

**Correction** (filled by organization audited):

Prepare a draft Cooperation Agreement for Purchasing FFB by including the conditions for receiving fruit from outside not in forested areas, HCV areas, stolen areas or areas not permitted by legislation

**Corrective Action** (filled by organization audited):

1. Ensure that third parties in purchasing FFB know of the additional articles in the Cooperation Agreement regarding the prohibition of illegal fruit
2. To socialize the article in the cooperation agreement via email or by phone regarding the article prohibiting illegal fruit (fruit from forested areas, HCV areas, stolen areas or areas that are not permitted by legislation)

**Assessor Evaluation and Conclusion** (filled by auditor):

**Major Verification April 16, 2019**

The company has shown proof of improvement including:

- Draft Letter of Agreement on Processing of Palm Oil Fresh Fruit Bunch in Article 10c states that the second party receives fruit from the first party with the requirements of the FFB that is sent as fruits with a clear source of legality (not from fruit in forest, HCV, Curian or from areas not permitted under applicable regulations).
- Banner socialization / installation stating that PT Arindo Tri Sejahtera 1 does not accept palm oil originating from areas that are not permitted to be planted with plantations in legislation (such as protected forest areas, limited production forests, industrial estate forests and conservation areas).

Based on the evidence of improvements that have been given, the non-conformity No.2019.03 is stated to have been fulfilled.

**Verified by** : **Satria Adi Putra**

<b>NCR No.</b>	: <b>2019.04</b>	<b>Issued by</b>	: <b>Steve Mualim</b>
<b>Date Issued</b>	: <b>15 March 2019</b>	<b>Time Limit</b>	: <b>14 June 2019</b>
<b>NC Grade</b>	: <b>Major</b>	<b>Date of Closing</b>	: <b>16 April 2019</b>
<b>Standard Ref. &amp; Requirement</b>	: <b>4.4.2 Protection of water courses and wetlands, including securing and maintaining appropriate riparian and other buffer zones, at the time of or prior to replanting shall be demonstrated</b>		
<b>Evidence observed</b> (filled by auditor): Company has established procedures related water source identification and riparian marking, listed on procedures FR.EAC.MRR on 2011. This procedures describing riparian marking sign for examples, for river with 3 - <30 meter wide riparian areas were 50 meter bothside. Besides that this procedure also explain riparian areas marking with red sign on oil palm trees (100 cm from ground surface). Field visit on ATS-1 (Tapung riverine) found that company has not yet marking all riparian.			
<b>Non-Conformance Description</b> (filled by auditor): Company were not able to shown integral implementation for all riparian that exist on company operational areas based on current procedures.			
<b>Root Cause Analysis</b> (filled by organization audited): 1. ATS 1 - Understanding of assistants for information on painting river boundaries only to rivers near the mill, not the entire river border			

2. ATS 2 - The staining of the river is too long so the color fades	
<b>Correction</b> (filled by organization audited): Repaint the river boundary mark (50 m) right and left of the river for PT ATS 1 and PT ATS 2 according to the river path that enters the HGU area	
<b>Corrective Action</b> (filled by organization audited): 1. Monitor river border color markings according to the procedure once a year accompanied by photographs 2. Re-understanding for employees about river border boundaries	
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification March 27, 2019</b> The company has shown HCV management and monitoring plans for ATS 1 and ATS 2 Estate, one of which contains monitoring and management of river border areas by marking river border boundaries (50 meters left and right of the river and signboard installation). In addition, the company has also shown the realization of marking the border demarcation on palm oil with red paint on the border of the ATS-1 river and the border of the ATS-2 river. the overall implementation of the program and the realization of river border protection in accordance with the procedures that are owned will be further verified when major verification in the field. <b>Based on the information above, NCR 2019.04 is still OPEN</b>	
<b>Major Verification April 16, 2019</b> Based on the results of field observations and document studies, it is known that the company can show proof of improvement in the form of: - Marking the boundaries of the Tapung River border area in ATS-1 and ATS-2 with signboard installation and marking the palm oil boundary with red paint along the 50 meters left and right of the river. - Program for the protection of river border areas in 2019 along with the realization of monitoring every 3 months to check the boundary area boundary marks carried out by the security.  Based on the explanation above and the evidence provided then, non-conformity No. 2019.04 declared fulfilled.	
<b>Verified by</b>	: Steve Mualim

<b>NCR No.</b>	: 2019.05	<b>Issued by</b>	: Steve Mualim
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 4.6.10 <b>Proof that pesticide waste has been handled as per legal regulations and understood by worker and manager, shall be demonstrated</b>		
<b>Evidence observed</b> (filled by auditor): Company has established procedures related agrochemical waste management listed on procedures FR.CSM.OP-1 on 2011. This procedures has explained instructions related ex agrochemical containers management for examples by container signing with red sign, container crushing, and must be stored on temporary hazardous waste store. Field observation on temporary hazardous waste store on ATS-1 and ATS-2 shown all ex pesticides container are not sign with red sign and ex pesticides container are not being crushed.			
<b>Non-Conformance Description</b> (filled by auditor): Company are not able to shown proper ways for ex agrochemical container management based on current procedures.			

<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> An understanding of the revision of the Waste Management SOP has not been socialized to all employees	
<b>Correction</b> <i>(filled by organization audited):</i> <ol style="list-style-type: none"> <li>1. Conduct SOP Waste Management understanding training to all estate employees, mills, especially warehouse officers and chemist employees</li> <li>2. Every employee who delivers ex-pesticide jerry cans must give a red mark and the hazardous waste warehouse officer is in charge of checking the red mark on ex-pesticide packaging.</li> <li>3. The hazardous waste warehouse officer is tasked with crushing ex-pesticide packaging that has been marked with red</li> </ol>	
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ol style="list-style-type: none"> <li>1. The hazardous waste warehouse officer monitors ex-pesticides that have been marked red and crushed every 3 months</li> <li>2. For ex-pesticides that have not been given a red mark, they are returned to the original owner (plantation employee) to be given a red mark first</li> </ol>	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>	
<b>Verified by</b>	:

<b>NCR No.</b>	: 2019.06	<b>Issued by</b>	: Rindu Galih Reza Rachmansyah
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: 14 June 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 16 April 2019
<b>Standard Ref. &amp; Requirement</b>	: 4.7.2 A documented risk assessment shall be available and its implementation shall be recorded.		
<b>Evidence observed</b> <i>(filled by auditor):</i> <ul style="list-style-type: none"> <li>• Based on document verification known that the company has had the HIRAC that approved since 2019 for mill and estate. Field visit report shown that there is activity in WWTP, Land Application, replanting, FFB transport and unloading in mill stillnot covered in those HIRAC yet.</li> <li>• Based on document verification known that there was 13 work accident happen on 2018 but still not documented inspection/investigation report according to procedure of emergency handling for work accidents or near miss.</li> </ul>			
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> <ul style="list-style-type: none"> <li>• Certificate holder cannot showed the HIRAC that covered all operational activity in mill and estate.</li> <li>• Certificate holder cannot showed the report of work accident investigation according to the procedure.</li> </ul>			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> <ul style="list-style-type: none"> <li>• PIC changing from certified OHS expert to non-certified OHS expert. This caused there was no PIC to set or revised the HIRAC regularly.</li> <li>• Appointed certified OHS expert to provide investigation report if anywork accident.</li> </ul>			
<b>Correction</b> <i>(filled by organization audited):</i> <ol style="list-style-type: none"> <li>1. Set and revised HIRAC that covered all operational activity in mill and estate.</li> <li>2. Conducted interview with work accident's victim to provide investigation report during 2018 including explanation from company's nurse.</li> <li>3. Evaluated of operator and OHS PIC regarding to their knowledge for work accident investigation procedure.</li> </ol>			

**Corrective Action** (filled by organization audited):

1. Appointed maintenance assistant in mill who certified as OHS expert to review HIRAC in estate in mill annually.
2. Appointed maintenance assistant in mill who certified as OHS expert to monitored work accident according to the procedure of emergency handling for work accidents or near miss.
3. If any work accident, assistant/supervisor and OHS committee should investigated all work accident or near miss according to the procedure.

**Assessor Evaluation and Conclusion** (filled by auditor):

**Verification on 27 March 2019**

Certificate holder has showed corrective evidence such as:

- HIRAC evaluation for all operational activity in estate and mill.
- Investigation report for all work accident year 2018 in estate and mill.

**Verification on 8 April 2019**

Certificate holder has showed corrective evidence such as:

- Certificate of OHS Expert that appointed to review the HIRAC.
- Evaluation of efectivity of investigation training for all attendance.
- Refreshment training for work accident or near miss procedure on 6 -8 February 2019.

**Major Verification on 16 April 2019**

Based on observation and document review known that the company:

- Investigation record for each work accident during 2018 until March 2019 in mill and estate.
- OHS clinic officer can demonstrated their knowledge regarding to investigation report.
- Evaluation of HIRAC that covered all operational activity in mill and estate.

Based on evidence above, this Nonconformity is **Closed**.

**Verified by** : **Rindu Galih Rezza Rachmansyah**

<b>NCR No.</b>	: 2019.07	<b>Issued by</b>	: Rindu Galih Rezza Rachmansyah
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: 14 June 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 16 April 2019
<b>Standard Ref. &amp; Requirement</b>	: 4.7.3 <b>Records of Occupational Health and Safety (OHS) program (see 4.8) and Personal Protective Equipment (PPE) training in accordance with the result of hazard identification and risk analysis shall be available to all workers.</b>		
<b>Evidence observed</b> (filled by auditor):			
<ul style="list-style-type: none"> <li>• Based on interview with mill worker (kernel operator, press, sterilizer and sortation) known that PPE condition (safety boot) in a bad condition for 5 worker and 1 worker using rubber boot. This is not comply with the HIRAC.</li> <li>• Based on minutes of meeting PPE handover's known that certificate holder has provide PPE on 2018. However, there was no evidence of PPE handover on 2019 for mill worker and 2018 – 2019 for estate worker.</li> <li>• Based on field visit in mill observed 4 driver of FFB transporter entering the mill area without using PPE (safety boot). This is not circular letter of mill manager on 13 March 2019 that stated all person entering the mill area shall used appropriate PPE. If those respective person did not bring appropriate PPE can using PPE that provide in security gate.</li> </ul>			
<b>Non-Conformance Description</b> (filled by auditor):			

Certificate holder cannot showed the evidence of all worker has equipped with appropriate PPE.

**Root Cause Analysis** (filled by organization audited):

- Late of PPE purchase due to purchasing order not scheduled regularly.
- PPE stock not available in accordance to minimum stock 10% from total worker.

**Correction** (filled by organization audited):

- Provide PPE for all kernel operator, press station, sterilizer and sortation officer. Minutes of meeting hand over attached.
- Conducted refreshment training to all driver of FFB transporter. If they does not bring appropriate PPE, they can borrow in security gate.
- Informed all worker or visitor that does not bring they can borrow in security gate.
- Provide PPE in each store.

**Corrective Action** (filled by organization audited):

- Mill manager and clerk conducted PPE purchasing scheduled maximum in November annually due to PPE handover will be conducted on February on the next financial year.
- Store keeper shall monitored PPE stock to comply with minimum stock according to the procedure.
- Informed to the all employee that PPE handover will be conducted annually and if any PPE broken can be change with appropriate evidence.
- Informed of circular letter of mill manager on 13 March 2019 that stated all visitor/driver/employee can borrow the PPE in security gate.
- Provide purchasing order for PPE if less than minimum stock.

**Assessor Evaluation and Conclusion** (filled by auditor):

**Verification on 27 March 2019**

Certificate holder showed the evidence:

- Circular estate regarding to PPE usage on 13 March 2019
- Minutes of meeting PPE handover in mill (attached with photos) on 18 March 2019.
- Minutes of meeting PPE handover in estate (attached with photos) on 18 March 2019.
- Minutes of meeting refreshment training of PPE usage to all driver of FFB transporter (attached with photos).

**Verification on 08 April 2019**

- Circulation letter regarding to minimum stock of PPE on 8 January 2018.
- Last minimum of PPE stock 63 pairs of boots in ATS – 1 dated on 18 March 2019.
- Last minimum of PPE stock 30 pairs of boots in ATS – 2 dated on 18 March 2019.
- Last minimum of PPE stock 10 pairs of boots in ATS POM dated on 18 March 2019.

**Major Verification 16 April 2019**

Based on field observation and document verification known that certificate holder showed the corrective evidence as follows:

- OHS inspection regarding to PPE usage and availability on 25 March 2019 in ATS-1, ATS-2 and mill. Inspection record showed that all worker has used appropriate PPE. During the last investigation not found any worker that did not using PPE.
- Based on interview with harvester and store keeper known that all worker has provide with appropriate PPE for free and will be replaced if broken. There was provide 10% minimum stock according to the procedure.
- Total of PPE stock in each unit has fulfilled with PPE procedure.
- Minutes of meeting of PPE usage socialization to the FFB driver transporter.

Based on evidence above, this Nonconformity is **Closed**.

<b>Verified by</b>	: Rindu Galih Rezza Rachmansyah
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<b>NCR No.</b>	: 2019.08	<b>Issued by</b>	: Steve Mualim
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 5.1.2 Environment management plan document to prevent negative impacts, its implementation report and revision (if the identification of impact requires changes in current company's practices) shall be available. The company's management shall appoint the responsible person(s) for the implementation of the document		
<b>Evidence observed (filled by auditor):</b> Document review and field visit shown company has conduct replanting activities since 2018 on ATS-1 estate and current environmental impact assessment document has not covered replanting activities			
<b>Non-Conformance Description (filled by auditor):</b> Regarding replanting activities, company are not able to shown environmental management and monitoring plan for minimize negative impact, if identified impact that requires any changes for current operational activities			
<b>Root Cause Analysis (filled by organization audited):</b> An estate understanding awaits a revision or addendum based on the Environment Agency			
<b>Correction (filled by organization audited):</b> Make an environmental management and monitoring plan based on replanting activities to prevent negative impacts from these activities			
<b>Corrective Action (filled by organization audited):</b> Review environmental management and monitoring plans every year according to all Estate and Mill work			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>			
<b>Verified by</b>	:		

<b>NCR No.</b>	: 2019.09	<b>Issued by</b>	: Steve Mualim
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: 14 June 2019
<b>NC Grade</b>	: Major	<b>Date of Closing</b>	: 16 April 2019
<b>Standard Ref. &amp; Requirement</b>	: 5.2.2 Where rare, threatened or endangered (RTE) species and or other HCVs are present or affected by the plantation and mill operations, an appropriate measures that are expected to maintain or enhance them shall be implemented through a management plan		
<b>Evidence observed (filled by auditor):</b> Company has established procedures FR.EAC.IMM on 2015 related HCV protection and monitoring, this procedures also described instructions for wild species monitoring, and HCV areas monitoring by patrolling for wild hunting and etc.			

<b>Non-Conformance Description (filled by auditor):</b> Based on document review found that company are not able to shown evidence related HCV areas monitoring by patrolling for wild hunting and etc based on current procedures.	
<b>Root Cause Analysis (filled by organization audited):</b> Routine patrol activities have been carried out by security but have not been documented	
<b>Correction (filled by organization audited):</b> Documenting routine security patrols of protected areas by security and making patrol reports every 3 months	
<b>Corrective Action (filled by organization audited):</b> Inform the Chief of Security for every security who conducts patrols, need to fill out a patrol checklist and make a patrol report every 3 months	
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Major Verification April 16, 2019</b> The company has shown proof of improvement in the form of: <ul style="list-style-type: none"> <li>- Monitoring and patrol program for the presence of HCV signposts and protected areas along with monitoring of vegetation / animals, and security patrols of HCV areas (illegal logging, illegal hunting activities) in 2019 which are conducted every 3 months.</li> <li>- Realization of patrol patrol activities for HCV signposts and protected areas along with monitoring of vegetation / animals, and HCV area security patrols (illegal logging, illegal hunting activities) on March 11, 2019.</li> </ul> <p>Based on the proof of improvement that has been shown, the non-conformity No. 2019.09 declared fulfilled.</p>	
<b>Verified by</b>	<b>: Andi Pratama Pasaribu &amp; Rindu Galih Rezza Rachmansyah</b>

<b>NCR No.</b>	<b>: 2019.10</b>	<b>Issued by</b>	<b>: Steve Mualim</b>
<b>Date Issued</b>	<b>: 15 March 2019</b>	<b>Time Limit</b>	<b>: ASA-2</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>:</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 5.2.4</b> <b>Once the management plan is prepared, continuous monitoring documentation and report regarding the status of the RTE and HCVs are affected by the operations of the plantation and palm oil mill shall be available, and the results of monitoring are to be used to follow-up on the improvement of the management plan.</b>		
<b>Evidence observed (filled by auditor):</b> Company has established HCV management plan for periods 2019-2020 that consist of HCV monitoring and management plan for entire company operational areas. Company also have evaluation for 2018 HCV management realization. Based on field visit on Tapung riparian on ATS-1 shown that HCV 4.1 areas are not yet maintained well. (for examples there is no riparian marking).			
<b>Non-Conformance Description (filled by auditor):</b> Regarding this company are not able to shown evidence that HCV management plan for 2019-2010 has been develop based on 2018 monitoring output and current procedures			
<b>Root Cause Analysis (filled by organization audited):</b> The results of the monitoring output for the 2018 period prove that it has not yet monitored all HCV areas (only river border areas near the mill)			

<b>Correction</b> <i>(filled by organization audited):</i> Revise HCV management and monitoring plans based on 2018 monitoring improvements that have been improved in March 2019 throughout the ATS 1 and ATS 2 HCV areas	
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ol style="list-style-type: none"> <li>1. Conservation staff are obliged to ensure the monitored area is all HCV areas (river boundaries in ATS 1 and ATS 2) and HCV 6 areas (Graves on ATS 2).</li> <li>2. Conservation staff make HCV management and monitoring plans based on real field conditions in all HCV areas</li> </ol>	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>	
<b>Verified by</b>	:

<b>NCR No.</b>	:	<b>2019.11</b>	<b>Issued by</b>	:	<b>Steve Mualim</b>
<b>Date Issued</b>	:	<b>15 March 2019</b>	<b>Time Limit</b>	:	<b>ASA-2</b>
<b>NC Grade</b>	:	<b>Minor</b>	<b>Date of Closing</b>	:	
<b>Standard Ref. &amp; Requirement</b>	:	<b>6.1.4</b> <b>The documented plan for management and monitoring of social impacts, shall be reviewed at least on two-yearly basis. If necessary, the plan should be updated. There shall be evidence that the review process includes participation of all affected parties</b>			
<b>Evidence observed</b> <i>(filled by auditor):</i> Based on document review and field observation found that company has conducting replanting activities since 2018. Review and evaluation for social monitoring and management plan has been done On Dec 2018 by Sustainability department. Based on document review shown that current social monitoring and management plan are not covered replanting activities and there is no evidence regarding affected parties involvement.					
<b>Non-Conformance Description</b> <i>(filled by auditor):</i> Regarding this, company are not able to shown evidence that social monitoring and management plan review was conducted by stakeholders/affected parties involvement and current social monitoring and management plan are not covered replanting activities impact.					
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i> Estate understanding awaits revision or addendum of the environment based on the Environment Agency					
<b>Correction</b> <i>(filled by organization audited):</i> Make a management plan and social monitoring that covers issues / impacts based on replanting activities for all relevant PT ATS stakeholders					
<b>Corrective Action</b> <i>(filled by organization audited):</i> <ol style="list-style-type: none"> <li>1. Identify new activities from Estate and Mill to create management and social monitoring plans</li> <li>2. Make a management plan and monitor social if there are new activities besides replanting and informing all stakeholders.</li> </ol>					
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>					

<b>Verified by</b> :	
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<b>NCR No.</b> :	<b>2019.12</b>	<b>Issued by</b> :	<b>Rindu Galih Rezza Rachmansyah</b>
<b>Date Issued</b> :	<b>14 March 2019</b>	<b>Time Limit</b> :	<b>ASA-2</b>
<b>NC Grade</b> :	<b>Minor</b>	<b>Date of Closing</b> :	<b>16 April 2019</b>
<b>Standard Ref. &amp; Requirement</b> :	<b>6.6.2 Records of meetings with labor unions or workers representatives shall be available.</b>		
<b>Evidence observed (filled by auditor):</b> Certificate holder has had labor union (PUK-SPPP-SPSI) in each unit and has been conducted regular meeting especially if any problem with worker issues. Based on interview with labor union board of ATS 2 estate known that on 2018 has conducted several meeting between management of PT. Arindo Trisejahtera with labor union.			
<b>Non-Conformance Description (filled by auditor):</b> Certificate holder cannot show the documented evidence between labor union with management.			
<b>Root Cause Analysis (filled by organization audited):</b> Document control of ATS 2 Estate still not well organized document of minutes of meeting of labor union.			
<b>Correction (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• Asked board of labor union in each unit to share minutes of meeting of labor union.</li> <li>• Showed minutes of meeting of labor union during 2018.</li> </ul>			
<b>Corrective Action (filled by organization audited):</b> <ul style="list-style-type: none"> <li>• Board of labor union shall be shared minutes of meeting of labor union to first clerk in each unit.</li> <li>• First clerk shall documented all minutes of meeting of labor union.</li> </ul>			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b> <b>Major Verification 16 April 2019</b> Certificate holder has showed corrective evidence such as: <ul style="list-style-type: none"> <li>• Minutes of meeting of labor union on 31 March 2018 that attached meeting record, attendance list and photos.</li> <li>• Minutes of meeting of labor union on 21 July 2018 that attached meeting record, attendance list and photos.</li> <li>• Socialization of document sharing between board of labor union and first clerk at least 7 days after the meeting.</li> </ul> <b>Auditor's Conclusion on 16 April 2019</b> Based on evidence above, this Nonconformity is <b>Closed</b> .			
<b>Verified by</b> :	<b>Rindu Galih Rezza Rachmansyah</b>		

<b>NCR No.</b> :	<b>2019.13</b>	<b>Issued by</b> :	<b>Andi Pratama Pasaribu</b>
<b>Date Issued</b> :	<b>15 March 2019</b>	<b>Time Limit</b> :	<b>ASA-2</b>
<b>NC Grade</b> :	<b>Minor</b>	<b>Date of Closing</b> :	
<b>Standard Ref. &amp; Requirement</b> :	<b>6.10.3 Evidence shall be available that all parties understand the contractual agreements</b>		

	<b>they enter into, and that contracts are fair, legal and transparent.</b>
<p><b>Evidence observed (filled by auditor):</b> Based on document verification, the company has had agreement with local contractor. For example, the company has a work agreement with a third party (local contractor) including a contract to procuring stone sand for road hardening with CV Putra Rokan. Based on the results of interviews with the relevant contractors, the implementation of the work has been carried out since March 2019.</p> <p><b>Non-Conformance Description (filled by auditor):</b> However, it has not yet been proven that the collaboration with CV Putra Rokan has been stated in a written agreement that is fair, legal and transparent.</p>	
<p><b>Root Cause Analysis (filled by organization audited):</b> Both parties' contracts are still signed by CV Putra Rokan and have not been returned to PT ATS (Estate Dept.)</p>	
<p><b>Correction (filled by organization audited):</b> Request a Work Agreement from CV Putra Rokan that has been legally signed by both parties (PT ATS and CV Putra Rokan)</p>	
<p><b>Corrective Action (filled by organization audited):</b></p> <ol style="list-style-type: none"> <li>The Estate Dept. and Legal Dept. make a policy and inform all vendors if the contract sent must be returned within a maximum of 14 working days after the contract is signed by the company and sent to the second party (in each contract) before work / cooperation begins</li> <li>The Estate Dept. and Legal Dept. monitor all contracts signed by the company that have been sent by the second party (in each contract) before the work begins</li> </ol>	
<p><b>Assessor Evaluation and Conclusion (filled by auditor):</b></p>	
<b>Verified by</b>	:

<b>NCR No.</b>	: 2019.14	<b>Issued by</b>	: Andi Pratama Pasaribu
<b>Date Issued</b>	: 15 March 2019	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	:
<b>Standard Ref. &amp; Requirement</b>	: 6.10.4 Agreed payments shall be made in a timely manner		
<p><b>Evidence observed (filled by auditor):</b> The company has work agreement with third parties, including replanting contracts with CV Duta Teknik as stated in work agreement dated April 16, 2018. Based on the contract, work payments are made for each work progress and 3 months retention.</p> <p><b>Non-Conformance Description (filled by auditor):</b> The company has not been able to show the evidence to proof those work agreement has been paid in accordance with the agreed agreement.</p> <p><b>Root Cause Analysis (filled by organization audited):</b> Proof of payment is in the Dept of Finance of the Riau Kandir, at the time the estate audit had not provided information on the Official Report of CV Duta Teknik's work based on SPK No. 60 / P-Replanting / ATS / LGL-PKU / IV / 18 which can facilitate the search for proof of transfer in April - June 2018</p>			

<b>Correction</b> <i>(filled by organization audited):</i> The company proves that the Work Agreement No. 60 / P-Replanting / ATS / LGL-PKU / IV / 18 dated April 16 2018 has been completed and has been paid from PT ATS to CV Duta Teknik	
<b>Corrective Action</b> <i>(filled by organization audited):</i> The Estate Engineering Assistant makes monitoring all contractor work based on the Job Minutes of each contractor / vendor and updated annually	
<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	4.7.4	OSH committee Legalization by related agency
2	8.1	Ensured efectivity for RSPO documentation and implementation
3	Supply chain	Transaction record evaluation on plam trace

**3.5.4 Noteworthy Positive Components**

No	Ref Std	Descriptions
1	-	Commitment on implementation for Sustainability palm oil management
2	-	Retained ISPO certiticates since Januari 16 2014 (No. Certificates 0001/MHI-ISPO)
3	-	Retained ISCC certificates periods July 15 2018 until Juli 14 2019 (Certificates No EU-ISCC-Cert-ID218-20180062).
4	-	Blue PROPER for 2017-2018

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

<b>Public Issues (Institution/ NGO/Community)</b>	<b>Auditor Responses</b>
<p><b>National Land Agency of Kampar District</b></p> <ul style="list-style-type: none"> <li>• There was no land dispute area in PT Arindo Trisejahtera concession so far.</li> <li>• The company still not reported their land use to the national land agency of Kampar District.</li> </ul>	<ul style="list-style-type: none"> <li>• During the public consultation with local communities and head of village known that no land dispute issues found. It has been explained in criteria 2.3</li> <li>• The company not reported their land use yet.</li> </ul>
<p><b>Kampar Environmental Agency</b></p> <ul style="list-style-type: none"> <li>• PT Arindo Trisejahtera already has environmental permit regarding mill and estate activities</li> <li>• There is no issues from surrounding stakeholders regarding pollution and landfires</li> <li>• Company has comply related environmental aspect for examples company already conduct EIA, temporary hazardous waste permit, permit for land application, and land fire facilities</li> <li>• Compulsory report to related agency are submitted for timely manner for examples quarterly report for hazardous waste management, quarter report for palm oil mill effluent management, and semester report for environmental monitoring and management</li> </ul>	<p>There is no negatives issues related environmental management done by company. PT ATS has demonstrate the compliance to RSPO Criterion 2.1, 5.1 and 5.3.</p>
<p><b>Plantation and Farm Agency District of Kampar</b></p> <ul style="list-style-type: none"> <li>• There are no negative issues such as fires.</li> <li>• The company does not have new location permits.</li> <li>• There is no environmental and social issues related to company's operational.</li> <li>• The Company has given assistance through its CSR program and partnered with local communities.</li> <li>• The company has reported its business activities to the plantation agency routinely.</li> <li>• No additional land at PT Arindo Tri Sejahtera</li> <li>• Firefighting equipment is quite adequate</li> <li>• communication between the agency and the company went well</li> <li>• The company gets class II (in the assessment of the latest plantation business)</li> </ul>	<ul style="list-style-type: none"> <li>• The company has had all plantation permit and has been complied all obligation reports. It refer to indicator 1.1.1.</li> <li>• According to field observation, there are no environment pollution from estate and mill operational.</li> <li>• Based on hydrant simulation dan landfires simulation, known that company has adequate facilities and infrastructure of fire and functioning properly.</li> <li>• Company has realized the assistance to local communities based on needs of society that explained in the criteria 6.11</li> </ul>
<p><b>Industry and Manpower Agency of Kampar District</b></p> <ul style="list-style-type: none"> <li>• The minimum wage applied today is the District Minimum Wage for Plantations in 2019</li> <li>• The Collective Labour Agreement 2018-2020 has been verified by the agencies</li> <li>• The CH has labour unions which have been registered by the Industry and Manpower Agency</li> <li>• The CH has included workers in the "BPJS Kesehatan dan Ketenagakerjaan" program</li> <li>• Over the past year there have been no issues related to child labor, discrimination and human rights violations in the CH environment</li> </ul>	<p>The CH has implemented minimum wages and other labor regulations in accordance with applicable regulations and is explained in the 2.1.1 and 6.5.1 indicators</p> <p>The rights and obligations of workers are listed in the Collective Labour Agreement and have been further explained in criterion 6.5</p> <p>Mandatory reports to relevant agencies are explained in criteria 1.1</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> <li>The labor union structure of CH does not consist of management representatives such as manager, but all of the labour union structure is all from workers.</li> </ul>	<p>The entire labour union has been registered in the agencies.</p> <p>Based on the results of interviews and document studies, it is known that to date there have never been violations of human rights, child labor and discrimination in the CH environment</p>
<p><b>Sumber Sari Village Community</b></p> <ul style="list-style-type: none"> <li>During the audit, there has never been any environmental pollution issues.</li> <li>The company has provided CSR to the Sumber Sari community.</li> <li>Every requests for information have been responded by the company.</li> <li>The company provides employment opportunities to local residents.</li> <li>The company included the community in the SIA study by participating in filling out the questionnaire</li> <li>Communication between the company and the village is quite good</li> <li>The village staff has understood and sufficiently agreed on the company's communication and consultation procedures that have been socialized.</li> </ul>	<p>Communication and consultation have been further explained in criteria 1.1 and 6.2</p> <p>The provision of CSR assistance is explained further in criteria 6.10</p>
<p><b>Suka Ramai Village Community</b></p> <ul style="list-style-type: none"> <li>During the audit, there has never been any environmental pollution issues.</li> <li>The company has provided CSR to the Sumber Sari community.</li> <li>Every requests for information have been responded by the company.</li> <li>The company provides employment opportunities to local residents.</li> <li>The company included the community in the SIA study by participating in filling out the questionnaire</li> <li>Communication between the company and the village is quite good</li> <li>The village staff has understood and sufficiently agreed on the company's communication and consultation procedures that have been socialized.</li> </ul>	<p>Communication and consultation have been further explained in criteria 1.1 and 6.2</p> <p>The provision of CSR assistance is explained further in criteria 6.10</p>
<p><b>PUK-SPPP-SPSI (Labor Union)</b></p> <ul style="list-style-type: none"> <li>The CH has implemented a determination related to minimum wages</li> <li>Providing work tools and PPE has been provided free of charge by the CH</li> <li>The CH has included all workers in the BPJS Employment and Health program</li> <li>Payment of overtime is in accordance with related regulation</li> <li>The complaints mechanism is known by the workers and the complaints are always addressed by the CH</li> </ul>	<p>The CH has implemented minimum wages and other labor regulations in accordance with applicable regulations and is explained in the 2.1.1 and 6.5.1 indicators</p> <p>OHS and PPE is explained in criteria 4.7</p> <p>The CH has carried out socialization related to the complaints mechanism and has been well known by workers</p>

Public Issues (Institution/ NGO/Community)	Auditor Responses
<ul style="list-style-type: none"> <li>Over the past year there have been no issues related to child labor, discrimination and human rights violations in the corporate environment</li> <li>Availability of vehicles to take workers and their families for treatment is always stand by</li> <li>The labor union structure does not consist of management representatives such as manager</li> </ul>	<p>Based on the results of interviews with residents who were also daycare officers, it was found that the company always provided vehicles to transport sick workers to the clinic and to the nearest hospital.</p>
<p><b>Gender Committee</b></p> <ul style="list-style-type: none"> <li>The CH has supported the formation of gender committee organizations in each unit</li> <li>The routine activities of the gender committee are the activities of the posyandu and gender socialization</li> <li>CH have implemented good gender policies including giving H1 and H2 leave rights to female workers, prohibiting workers who are pregnant and breastfeeding from working with chemicals, availability of daycare in each residential area for workers children</li> <li>There are no issues or complaints from workers related to harassment, human rights violations or discrimination related to gender</li> <li>The complaint mechanism is known by workers</li> </ul>	<p>According o document verification and interview with workers, there was no issues related to violation of the rights of woman.</p> <p>From the results of interviews with workers, the company has implemented of Company Policies such as reproductive rights and prohibition of pregnant woman to spray. It refer to criterion 6.9</p>
<p><b>Local Contractor (CV Putra Rokan)</b></p> <ul style="list-style-type: none"> <li>A work agreement for each job already exists and each party has it</li> <li>Payment of the work done is timely paid</li> <li>In the employment agreement explain related to PPE, Giving BPJS and other matters</li> <li>Contractor workers are given supervision from the CH</li> <li>Provision of socialization related to the company's code of ethics carried out at the time of signing the work agreement</li> <li>Training / socialization related to work carried out by contractor workers has been carried out by the CH at the time of supervision</li> </ul>	<p>Based on document verification, show that the rights and obligation of each party has been set in the contract.</p> <p>Has been describe in criteria 6.10</p>

<b>4.0</b>	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>		
<b>4.1</b>	<b>Formal Sign-off of Assessment Findings</b>		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table data-bbox="399 828 1356 1142" style="width: 100%;"><tr><td style="text-align: center; width: 50%;"><p>PT Arindo Trisejahtera Management Representative</p><p><b><u>Eko Dharmawanto</u></b> Tuesday, 16 April 2019</p></td><td style="text-align: center; width: 50%;"><p>Mutuagung Lestari Lead Auditor</p><p><b><u>Andi Pratama Pasaribu</u></b> Tuesday, 16 April 2019</p></td></tr></table>	<p>PT Arindo Trisejahtera Management Representative</p>  <p><b><u>Eko Dharmawanto</u></b> Tuesday, 16 April 2019</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Andi Pratama Pasaribu</u></b> Tuesday, 16 April 2019</p>
<p>PT Arindo Trisejahtera Management Representative</p>  <p><b><u>Eko Dharmawanto</u></b> Tuesday, 16 April 2019</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Andi Pratama Pasaribu</u></b> Tuesday, 16 April 2019</p>		

**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	Environment Agency	District of Kampar	-	Interview	11 March 2019	√	
2	Industry and Manpower Agency	District of Kampar	-	Interview	11 March 2019	√	
3	National Land Agency	District of Kampar	-	Interview	11 March 2019	√	
4	Plantation Agency	District of Kampar	-	Interview	11 March 2019	√	
5	Sumber Sari Village Community	District of Kampar	-	Interview	12 March 2019	√	
6	Suka Damai Village Community	District of Kampar	-	Interview	12 March 2019	√	
7	PUK-SPPP-SPSI (Labor Union)	District of Kampar	-	Interview	During audit Activity.	√	
8	Gender Committee	District of Kampar	-	Interview	During audit Activity.	√	
9	Local Contractor (CV Putra Rokan)	District of Kampar	-	Interview	During audit Activity.	√	
10	<p>Internal Stakeholders <u>ATS POM</u></p> <ul style="list-style-type: none"> <li>• 3 peoples (boiler operator)</li> <li>• 1 peoples (engine room operator)</li> <li>• 1 peoples (press operator)</li> <li>• 1 people (kernel operator)</li> <li>• 3 peoples (Boiler operator)</li> <li>• 2 peoples (Sterilizer operator)</li> </ul> <p><u>Petapahan II</u></p> <ul style="list-style-type: none"> <li>• 9 Nursery worker in Bah Jambi Estate</li> <li>• 2 Harvesters and 1 harvesting supervisor</li> <li>• 5 male spraying workers and 1 Female supervisor</li> <li>• 2 peoples (cencus worker)</li> </ul> <p><u>Petapahan I</u></p> <ul style="list-style-type: none"> <li>• 6 male spraying workers</li> </ul>	District of Kampar	-	Interview	During audit Activity.	√	

	and 1 male supervisor • 5 Harvesters and 1 harvesting supervisor • 3 worker at nursery • 2 peoples (Global Telling Worker) • 4 peoples (Hasvester) and 1 people (Clerk)						

**Appendix 2. Assessment Program**

DATE	11 – 15 March 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
<b>Monday, 11 March 2019</b>		
06.00 – 07.45 08.00 – 12.00 12.00 – 14.00 15.00 – 17.00	<b>Jakarta → Pekanbaru (GA-170)</b> <b>Pekanbaru → Kampar (Public Consultation to Government agencies in Kampar District)</b> <b>Kampar → Site PT Arindo Trisejahtera</b> <b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Mill and Estate Management and Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit, Transparency and Confidentiality Clarification)</li> </ul> <b>Document Review &amp; Previous NC's verification (if any)</b>	<ul style="list-style-type: none"> <li>All Team Member</li> <li>All Team Member</li> <li>All Team Member</li> <li>All Team Member</li> </ul>
<b>Tuesday, 12 March 2019</b>		
08.00 - 12.00	<b>Public consultation:</b> <ul style="list-style-type: none"> <li>Local communities</li> </ul> <b>Field Observation Petapahan 1</b> <ul style="list-style-type: none"> <li>Best agricultural practices (manuring, spraying, harvesting, EFB application etc)</li> <li>Worker Welfare (payments, complaint mechanism)</li> <li>Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect.</li> <li>Legal operational and Conservation Area</li> </ul>	<ul style="list-style-type: none"> <li>RGR/APP</li> <li>SAP</li> <li>SAP</li> <li>STV</li> <li>APP</li> </ul>
12.00 – 14.00	<b>BREAK</b>	<b>All Team Member</b>
14.00 – 17.00	<ul style="list-style-type: none"> <li>Field observation clarification</li> <li>Document Review Continuation</li> </ul>	<ul style="list-style-type: none"> <li>All Team Member</li> <li>All Team Member</li> </ul>
<b>Wednesday, 13 March 2019</b>		
08.00 - 12.00	<b>Field Observation Petapahan 1</b> <ul style="list-style-type: none"> <li>Best agricultural practices (manuring, spraying, harvesting, EFB application etc)</li> <li>Worker Welfare (payments, complaint mechanism)</li> <li>Hazardous Waste Material (B3) management; Worker facilities (housing, health clinic, clean water, etc), Land Fill, and Land Fire facilities, Storage, ect.</li> <li>Legal operational and Conservation Area</li> </ul>	<ul style="list-style-type: none"> <li>SAP/RGR</li> <li>SAP/RGR</li> <li>STV</li> <li>APP</li> </ul>
12.00 – 14.00	<b>BREAK</b>	<b>All Team Member</b>
14.00 – 15.00	<b>Public consultation to internal stakeholder (labour union, gender committee, etc)</b>	<b>RGR/APP</b>
14.00 – 17.00	<b>Document Review Continuation</b>	<b>All Team Member</b>
<b>Thursday, 14 March 2019</b>		

DATE	11 – 15 March 2019	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
08.00 – 12.00	<b>Field Observation to Arindo Trisejahtera Mill</b> <ul style="list-style-type: none"> <li>• Supply Chain verification</li> <li>• FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO – Include OHS Aspects (firefighting simulation)</li> <li>• Occupational Health &amp; Safety Aspect,</li> <li>• Environmental , Inspection to Chemical Storage, Hazardous Waste Storage, POME Pond</li> </ul>	<ul style="list-style-type: none"> <li>• APP</li> <li>• SAP/RGR</li> <li>• SAP/RGR</li> <li>• STV</li> </ul>
12.00 – 14.00	<b>BREAK</b>	<b>All Team Member</b>
14.00 – 17.00	<ul style="list-style-type: none"> <li>• <b>Field observation clarification</b></li> <li>• <b>Document Review Continuation</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>All Team Member</b></li> <li>• <b>All Team Member</b></li> </ul>
<b>Friday, 15 March 2019</b>		
08.00 – 11.00 11.00 – 14.00 16.00 – 18.00	<ul style="list-style-type: none"> <li>• <b>Closing meeting</b></li> <li>• <b>PT Arindo Trisejahtera → Pekanbaru</b></li> <li>• <b>Pekanbaru → Jakarta (GA179)</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>All Team Member</b></li> </ul>