

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

**[ ] Stage-1    [ ] Stage-2    [☒] Surveillance    [ ] Re-Certification**

Plantation Management/Owner : **PT Tapian Nadenggan – Golden Agri Resources Ltd.**

Plantation Name : **Semilar Mill, Semilar Estate, Sei Rindu Estate, Mandang Estate dan Puri Estate.**

Location : **Rungau Raya Village, Sub District of Danau Siluluk, District of Seruyan, Central Kalimantan Province, Indonesia**

Certificate Code : **MUTU-RSPO/028**

Date of certificate issue : **22 July 2013**

Date of expiry of certificate : **21 July 2018**

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Review by	Approve by
<b>ASA-02</b>	18-22 May 2015	Bukti Bagja, Abdul Rahman, Andi Pratama, dan Brigitta Prita	Taufik Margani	Octo HPN Nainggolan

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-2</b>	<b>21 June 2015</b>

Mutuagung Lestari • Raya Bogor Km 33,5 Number 19 • Cimanggis • Depok 16953 • Indonesia

Telephone (+62) (21) 8740202 • Fax (+62) (21) 87740745/6

Email : [agri@mutucertification.com](mailto:agri@mutucertification.com) • [www.mutucertification.com](http://www.mutucertification.com)

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**Figure 1. Location Map of PT Tapan Nadenggan**

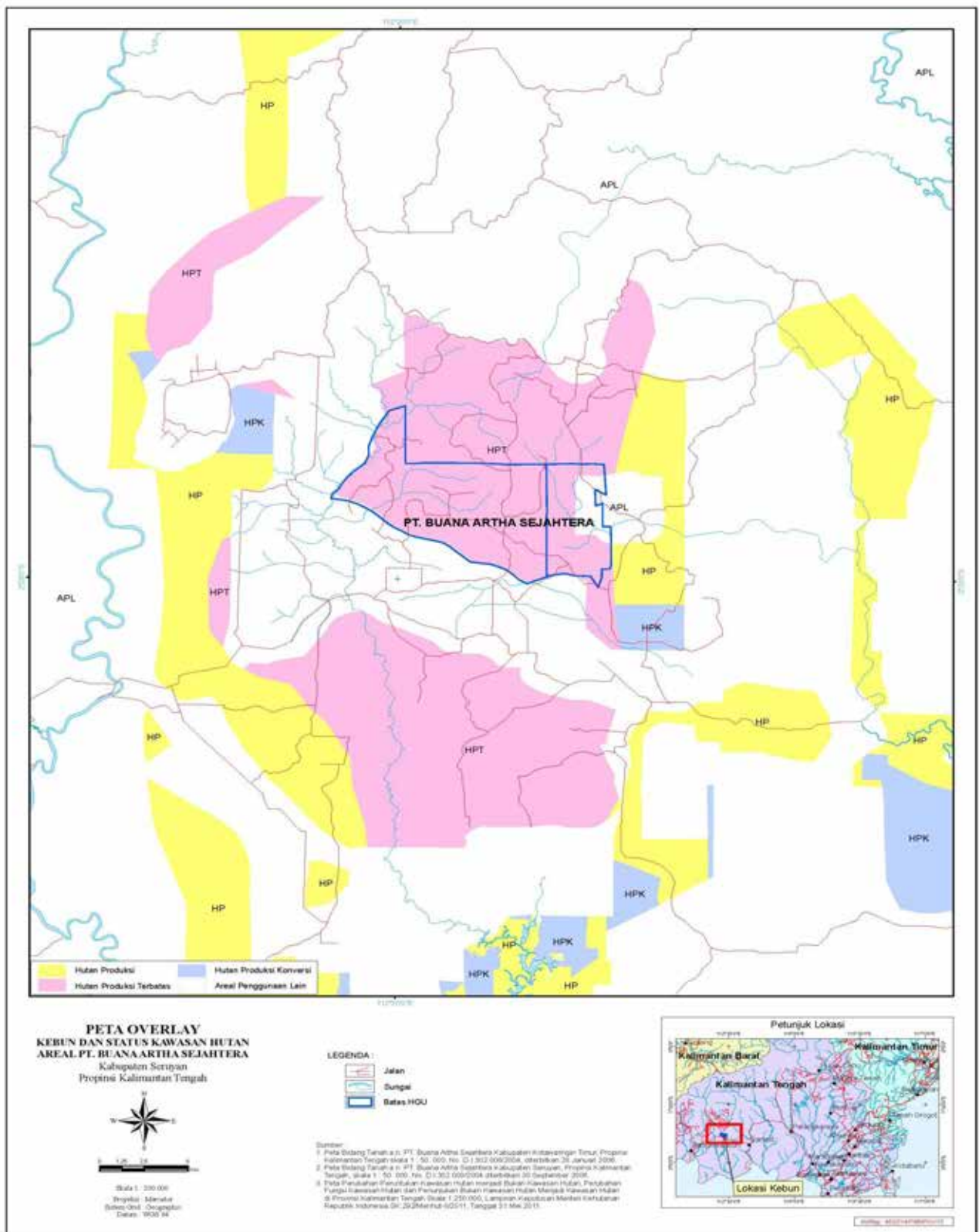
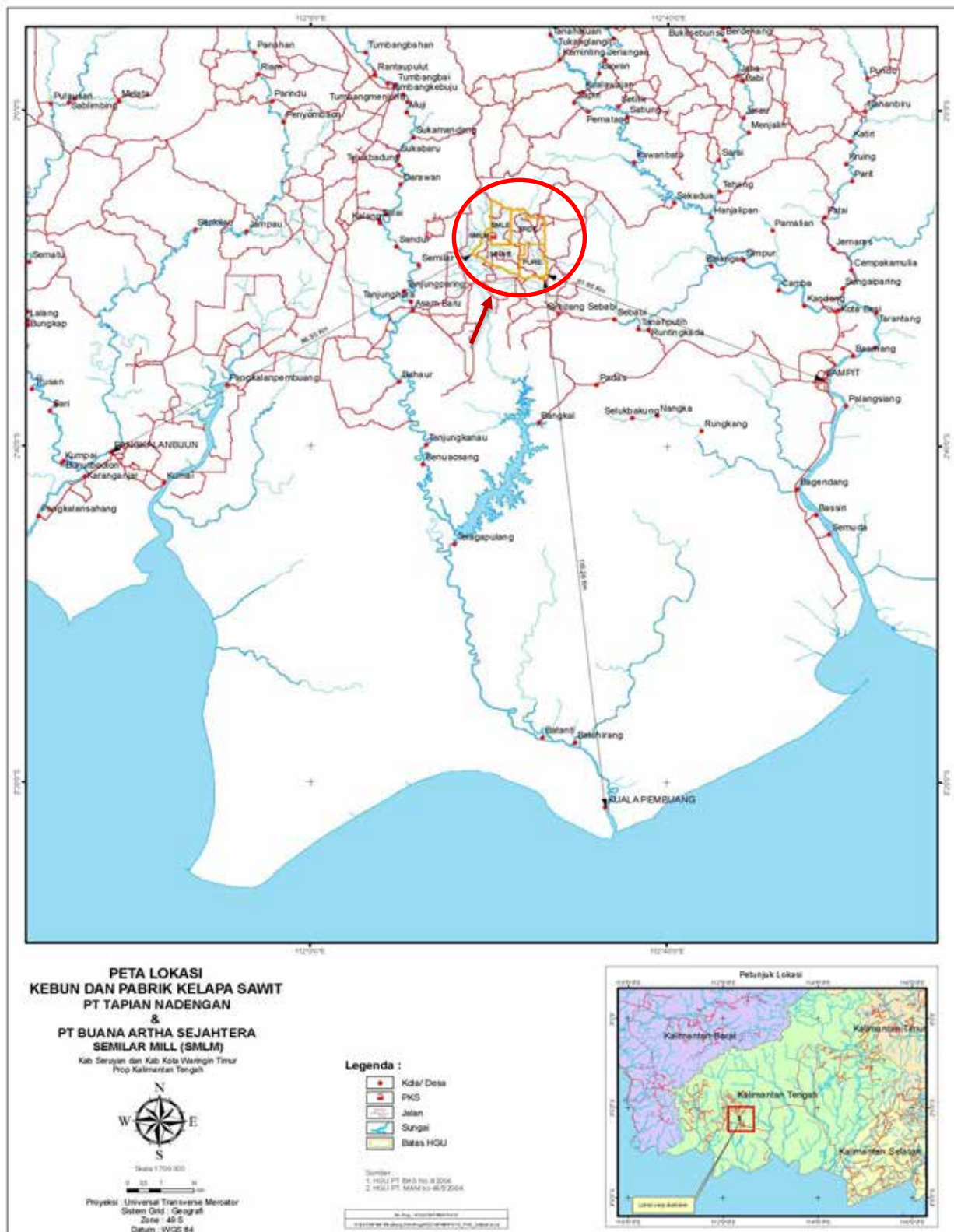


Figure 2. Operational Map of PT Tapian Nadenggan





<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>						
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• <i>RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013.</i></li> <li>• <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i></li> </ul>					
<b>1.2</b>	<b>Organization Information</b>						
1.2.1	Company name	PT Tapian Nadenggan – Golden Agri Resources Ltd.					
1.2.2	Contact person	Ismu Zulfikar					
1.2.3	Company address and site address	<ul style="list-style-type: none"> <li>• RSPO registered company: 108 Pasir Panjang Road, #06-00 Golden Agri Plaza Singapore. Singapore 118535.</li> <li>• Liaison Office: Sinarmas Land Plaza Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia.</li> </ul>					
1.2.4	Telephone	(+62-21) 318 1388					
1.2.5	Fax	(+62-21) 318 1389					
1.2.6	E-mail	<a href="mailto:ismu-zulfikar@smart-tbk.com">ismu-zulfikar@smart-tbk.com</a>					
1.2.7	Web page address	<a href="http://www.smart-tbk.com">www.smart-tbk.com</a>					
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Departement)					
1.2.9	Registered as RSPO member	1-0096-11-000-00, 31 March 2011.					
<b>1.3</b>	<b>Type of Assessment</b>						
1.3.1	Scope of Assessment and Number of management unit	<b>Palm Oil Mill and supply base:</b> Semilar Mill, Semilar Estate, Sei Rindu Estate, Mandang Estate and Puri Estate.					
1.3.2	Type of certificate	Single					
<b>1.4</b>	<b>Locations of Mill, Plantations and Area Statement</b>						
1.4.1	Location of Mill						
	<b>Name of Mill</b>	<b>Location</b>	<b>GPS</b> <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> <tr> <td>2°14' 53.73" N</td> <td>112°20' 25.55" E</td> </tr> </table>	Latitude	Longitude	2°14' 53.73" N	112°20' 25.55" E
Latitude	Longitude						
2°14' 53.73" N	112°20' 25.55" E						
	Semilar Mill	Rungau Raya Village, Sub District of Danau Siluluk, District of Seruyan, Central Kalimantan Province.					
1.4.2	Location of Supply Base						
	<b>Name of Supply Base</b>	<b>Location</b>	<b>GPS</b> <table border="1"> <tr> <th>Latitude</th> <th>Longitude</th> </tr> </table>	Latitude	Longitude		
Latitude	Longitude						

	Semilar Estate	Rungau Raya Village, Sub District of Danau Siluluk, District of Seruyan, Central Kalimantan Province.	2°15' 06.21" N	112°20' 58.83" E		
	Seirindu Estate	Tangar village, Sub District of Mentaya, District of Kotawaringin Timur, Central Kalimantan Province.	2°15'12.86" N	112° 24'28.98" E		
	Mandang Estate (PT Buana Artha Sejahtera)	Rungau Raya Village, Sub District of Danau Siluluk, District of Seruyan, Central Kalimantan Province.	2° 16'28.22" N	112° 20'16.69" E		
	Puri Estate (PT Buana Artha Sejahtera)	Birumaju village, Sub District of Telawang, District of Kotawaringin Timur, Central Kalimantan Province.	2°18' 22.06" N	112° 25'13.39" E		
1.5	Description of Area Statement					
1.5.1	Tenure					
	• State		17,088 Ha			
	• Community		- Ha			
1.5.2	Area Statement					
	• Total area		17,088 Ha			
	• Mature area		15,557.67 Ha			
	• Immature area		37.94 Ha			
	• Mill dan emplantment		193.77 Ha			
	• Infrastructure (Nursery & Road)		728.54 Ha			
	• Occupation		158.73 Ha			
	• HCV		146.74 Ha			
			* Areal Statement 2015			
1.6	Description of Supply Base					
1.6	Planting Year and Cycles					
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Semilar Estate	Seirindu Estate	Mandang Estate (PT BAS)	Puri Estate (PT BAS)	TOTAL
	1998	-	-	16.40	-	16.40
	1999	-	-	176.35	323.19	499.54
	2001	-	-	157.95	-	157.95
	2004	-	-	106.66	-	106.66
	2005	2,998.59	-	480.77	1,202.35	4,681.71
	2006	1,010.24	3,450.02	2,945.06	655.60	8,060.92

	2007	-	290.16	822.64	733.04	1,845.84						
	2008	-	-	46.22	407.04	453.26						
	2011	-	-	37.94	-	37.94						
	<b>TOTAL</b>	<b>4,008.83</b>	<b>3,740.18</b>	<b>4,789.99</b>	<b>3,321.22</b>	<b>15,860.22</b>						
1.6.2	New Planting area after January 2010		37.94 Ha									
1.6.3	Planting Cycle		1 <sup>st</sup> Cycle									
1.7	Description of Mill and supply base											
1.7.1	Description of Mill											
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	CPO		Palm Kernel						
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)					
	Semilar Mill	80	379,336.98	95,688.26	25.23	20,749.55	5.47					
*Source: Mill Production Data on May 2014 – April 2015.												
1.7.2	Description of Certified Estates											
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/ year)	Yield (tonnes/ha/ year)	Supplied to Mill						
						FFB (tonnes/year)	%					
						Semilar Estate	4,288.63	4,008.83	109,937.69	27.42	109,937.69	100
						Sei Rindu Estate	3,990.60	3,740.18	108,945.17	29.13	108,945.17	100
						Mandang Estate (PT BAS)	5,170.35	4,789.99	81,760.30	17.07	81,760.30	100
						Puri Estate (PT BAS)	3,638.42	3,321.22	40,093.16	12.07	40,093.16	100
	<b>TOTAL</b>	<b>17,088</b>	<b>15,860.22</b>	<b>340,736.32</b>	<b>21.42</b>	<b>340,736.32</b>	<b>100</b>					
*Source: Mill Production Data on May 2014 – April 2015.												
1.7.3	FFB description from other source											
	Name of source	Member	Location	Supplied to Mill								
				FFB (tonnes/year)								
				Bukit tiga Estate	PT. Binasawit Abadi Pratama - GAR	Desa Rungau Jaya, Kec. Danau Seluluk, Kab. Seruyan - Kalteng	30,770.32					
				Tangar Estate	PT. Binasawit Abadi Pratama - GAR	Desa Rungau Jaya, Kec. Danau Seluluk, Kab. Seruyan - Kalteng	7,787.17					
				Muara Dua Estate	PT. Binasawit Abadi Pratama - GAR	Desa Terawan, Kec. Seruyan Raya, Kab. Seruyan – Kalteng	32.41					
	Lenggana Estate	PT. Binasawit Abadi Pratama - GAR	Desa Selunuk, Kec. Seruyan Raya, Kab. Seruyan - Kalteng	10.76								

		TOTAL		38,600.66			
<i>*Bukit tiga estate and Tangar estate have been certified.</i> <i>*Muara Dua Estate and Lenggana estate not yet certified or Uncertified.</i> <i>*In July 2014 Semilar Mill receive FFB from Muara dua estate and Lengana Estate where it was still use supply chain mass balance. Since August 2014 Semilar Mill did not receive FFB from other estate uncertified or not yet certified. Until now Semilar estate apply Supply chain Identify Preserved.</i>							
1.7.4	Product categories		FFB, CPO, PK				
1.8	Estimate Tonnage of certified Product						
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim (tonnes/year)		Actual certified product (tonnes/year)		
	• FFB Production		464,782.4		379,336.98		
	• CPO Production		118,798		95,688.26		
	• Palm Kernel (PK) Production		24,401		20,749.55		
<i>** Certificate Claim data on May, 2014 –April, 2015.</i> <i>** Actual Claim data on May, 2014 – April, 2015.</i>							
1.8.2	Estimate of certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Semilar Estate	4,288.63	4,008.83	120,931.46	30.16		
	Seirindu Estate	3,990.60	3,740.18	119,839.69	32.04		
	Mandang Estate (PT BAS)	5,170.35	4,789.99	89,936.33	18.78		
	Puri Estate (PT BAS)	3,638.42	3,321.22	44,102.48	13.28		
	TOTAL	17,088.00	15,860.22	374,809.95	24.89		
<i>*Sources budget production data on period Mei 2015 until April 2016.</i>							
1.8.3	Estimate of certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO Out put (tonnes)	CPO Extraction (%)	Palm Kernel Out put (tonnes)	Palm Kernel Extraction (%)
	Semilar	80	374,809.95	95,576.53	25,5	20,614.55	5.5
<i>*Sources budget production data on period May 2015 until April 2016.</i>							
1.9	Other Certifications						
	ISO 9001:2008		-				
	ISO 14001: 2004		-				
	OHSAS 18001:2007		-				
	ISCC		No. Reg: ISCC-Reg-1726 untuk Semilar Mill tertanggal 28 November 2013 dan berlaku hingga 27 November 2014.				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit	Supply Base	Time	Location	Status		



Mill	Time Bound Plan		Bound Plan		
Pangkalan Panji	2013	PT Sawit Mas Sejahtera	2013	South Sumatera	Certified
Bumi Sawit	2013	PT Bumi Sawit Permai	2013	South Sumatera	Certified
Muara Kandis	2013	PT Djuanda Sawit Lestari	2013	South Sumatera	ST-2
		Smallholder (KKPA Pandawa)	2013		ST-2
		Smallholder (Pandawa Plasma)	2013		ST-2
Sungai rungau	2013	PT Binasawit Abadi Pratama	2013	Central Kalimantan	Certified
Bukit Perak	2013	PT Bumi Permai Lestari	2013	Bangka Belitung	Certified
Tanjung Kembiri	2013	PT Forestalestari Dwikarya	2013	Kab. Belitung	Certified
Sungai Buaya	2014	PT Sumber Indah Perkasa	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Lama)	2014	Lampung	Certified
		Smallholder (KKPA Mesuji)	2014	Lampung	Certified
Sungai Merah	2014	PT Sumber Indah Perkasa	2014	Lampung	Certified
		Smallholder (KKPA Gedung Aji Baru)	2014	Lampung	Certified
Kasuari	2015	PT Sinar Kencana Inti Perkasa	2015	Papua	ST-1
		Smallholder (KKPA Sungai Panci)	2015	Papua	ST-1
		PT Sumber Indah Perkasa (Mambruk Estate)	2015	Papua	ST-1
Senakin	2015	PT Purimas Sasmita & PT Sinar Kencana Inti Perkasa (Senakin Estate)	2015	South Kalimantan	-
Pekawai	2015	PT Agrolestari Mandiri	2015	West Kalimantan	-
		Smallholder (Kayung Plasma)	2015	West Kalimantan	-
Kenanga	2015	PT Kencana Graha Permai	2015	West Kalimantan	-
		PT Cahaya Nusa Gemilang	2015	West Kalimantan	-
		Smallholder (Kencana Plasma)	-	West Kalimantan	-
		Smallholder (Kenanga Plasma)	-	West Kalimantan	-

Ketayang	2015	PT Mitra Karya Agrindo	2015	Central Kalimantan	-
		PT Agrolestari Sentosa	2015	Central Kalimantan	-
		PT Aditunggal Mahajaya	2015	Central Kalimantan	-
Perdana	2015	PT Binasawit Abadi Pratama	2015	Central Kalimantan	ST-1
Kuayan	2015	PT Agrokarya Prima Lestari	2015	Central Kalimantan	ST-1
		PT Buana Adhitama	2015	Central Kalimantan	ST-1
Belian	2015	PT Paramitra Internusa Pratama	2015	West Kalimantan	-
		PT Bangun Nusa Mandiri	2015	West Kalimantan	-
		PT Kartika Prima Cipta	2015	West Kalimantan	-
		PT Persada Graha Mandiri	2015	West Kalimantan	-
		PT Buana Artha Sejahtera	2015	Central Kalimantan	-
Sungai Kupang	2015	PT Sinar Kencana Inti Perkasa Sungai Kupang Estate Sungai Kupang KKPA	2015	South Kalimantan	ST-1
	Golden Agri Resources Ltd run 17 mills and 54 estates in Indonesia and has achieved RSPO certified for 1 (one) mills and supply base in Indonesia. Golden Agri Resources Ltd has informed the Time Bound Plan progress, MUTUAGUNG has considered that Golden Agri Resources Ltd is comply with the RSPO requirement for Time Bound Plan.				
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard.</b>				
	Semilar Mill did not accept FFB from other outgrower.				

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Certification Body</b>
	PT Mutuagung Lestari Jl. Raya Bogor Km 33,5 No. 19, Cimanggis - Depok 16953 Telp. +62-21-8740202; Fax +62-21-87740745/46 Website: <a href="http://www.mutucertification.com">www.mutucertification.com</a> Email : <a href="mailto:agri@mutucertification.com">agri@mutucertification.com</a>
<b>2.2</b>	<b>Assessment Team</b>
<b>ASA-2</b>	<ol style="list-style-type: none"> <li><b>Bukti Bagja (Lead Auditor).</b> Master of Science majoring environment, Indonesia University. He had involved in RSPO assessment and HCV for GIS. The training he has followed namely. ArcGIS, MAPInfo, Global Mapper, ER MAPPER, ERDAS Imagine, Indonesian Sustainable Palm Oil auditor and Awareness RSPO, and Auditor/Lead auditor Management System Certification (ISO 9001-2008).</li> <li><b>Abdul Rahman (Auditor).</b> Bachelor of Environmental Engineering, Islamic University of Indonesia and Master of Management &amp; Utilization of Waste, Gadjah Mada University. He has experience in mitigation of greenhouse gas emissions. He was listed as the Social Carbon Validator for a carbon project in Indonesia. During this time he was active in various seminars and forums for the development of standards and methodology of greenhouse gases in Indonesia. In addition he has experience as document drafting team effort Environmental Management and Environmental Monitoring Effort (UKL - UPL) for 1 year at environment consultant. He has been involved in water sampling methodology and analysis training, waste management training, auditor ISO 9001 - QMS, ISO 14064 - GHG and ISO 14001 - EMS training, Ahli K3 Umum (OHSAS Expert) training (based on government regulation), also ISO 50001 – Energy Management System training.</li> <li><b>Andi Pratama Pasaribu (Auditor).</b> Bachelor of the social economy, agribusiness a course of study agricultural university faculty of Jember. He had followed the training of auditor sustainable Indonesian palm oil (ISPO). He has experience of work for five years as an operational staff in several plantation companies in Indonesia private oil palm plantation. Currently working on certification body as independent auditors. Auditor conducting assessment in the management of a plantation of pest and disease of plants.</li> <li><b>Brigitta Prita (Auditor Trainee).</b> Bachelor of Forestry, Department of Forest Resources Conservation and Ecotourism, Bogor Agricultural University. Attended training ISPO Auditor training, certification of ISO 9001:2008 Quality Management System (QMS), Training IHT Awareness RSPO, Training QMS 19011, IHT Awareness 17011 and 17065 and Training HCV. During the assessment the auditor verified the transparency, waste management and high conservation value.</li> </ol>
<b>2.3</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.3.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-1</b>	Number of auditors: 4 auditor. Number of days for <b>ASA-1</b> at site: 5 days. Number of working days for <b>ASA-1</b> at site: 20 Working days.
<b>2.3.2</b>	<b>Detail process of assessment</b>
<b>ASA-1</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the <b>PT Tampilan Nadenggan - Golden Agri Resources Ltd</b> to the requirements of Principle and criteria for Sustainable Palm Oil Production on April 2013 and supply chain Requirement for CPO Mill, November 2014.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-2</b> 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-3</b>).</p>

Improvement of findings from **ASA-2** findings were observed by auditors at this **ASA-3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-2**.

**The assessment program please find Appendix 2.**

<b>2.3.3</b>	<b>Locations of Assessment</b>
<b>ASA-2</b>	<p>The annual surveillance assessment 2, Auditors were conduct against Mandang estate and Semilar estate based sampling method <math>0,8\sqrt{y}</math> where y is 4 supply base in Semilar Mill. There is more detail about the field visit:</p> <p><b>Mandang Estate</b></p> <ol style="list-style-type: none"> <li><b>Harvesting Program (Block J46 of Division IV).</b> Observation and interview with the foreman and harvesters in term of the harvest work procedure, OHS aspect, waging system and harvest premium system. According to the result of interview, the harvesters are able to demonstrate and run the work instruction as written on the procedure, they are using PPE and they know the wage calculation as well as the harvest premium calculation.</li> <li><b>Barn Owl Box (Block J41 of Division IV).</b> Observation on the barn owl management to prey rat.</li> <li><b>Herbicide Application (Block I41 of Division IV).</b> Observation and interview with the foreman and sprayers. According to the result of interview, the foreman and the sprayers have aware of the work instruction in term of the proper herbicide application as well as have it demonstrated, they have used PPE and have aware of the herbicide application prohibition in riparian and conservation area.</li> <li><b>Effluent Application (Block J35).</b> Observation on the effluent application area, effluent flow technical and environment impact monitoring.</li> <li><b>Landfill (Block G43 of Division II).</b> Observation on the domestic waste management.</li> <li><b>Mechanical Manuring (Block M44 of Division VI).</b> Observation on the manuring implementation referring the mechanical manuring SOP.</li> <li><b>Cadastral pole number 158 in block N43.</b> The pole is well maintained.</li> <li><b>Cadastral pole number 155 in Block O38.</b> The pole is well maintained. The pole is location in PT BAP planting block. Therefore, there is an indication of the planting within PT BAS area.</li> <li><b>Riparian in Block N43.</b> There are well functioned HCV tower. There are forest plant and fruit plant nursery station for supporting the buffer zone enrichment. The Rungau Riparian is well preserved.</li> <li><b>Riparian in Block O38.</b> The buffer zone is well seen. The width of bufferzone is proper and there is an obvious border (road).</li> <li><b>Clean water facilities of Division 5 and 6 housing complex.</b> The clean water is pumped from the reservoir. It is pumped for the housing complex through pipe network 6 hours a day. The drinkable water source is the pumped clean water to the water tank.</li> <li><b>Office of Division 5 &amp; 6.</b> There are fire extinguishing facilities in form of fire extinguishers, garbage bank for the recycled garbage. There are 4 fire extinguishers in daycare, FFB sampling station (research station) and in division office.</li> <li><b>Caps washing station, bathing station and PPE storage for sprayers of division 5 &amp; 6.</b> The washing station is well provided. However, there is a lack of water. The signboard, symbols and complete description in term of te OHS aspect are provided completely.</li> <li><b>Employees housing complex in division 5 &amp; 6. Good Sanitation.</b> The landfill is constructed and the environment is clean enough. Small amount of land utilization for planting the vegetable. The fire extinguishers are centralized on the division office.</li> <li><b>Chemicals and fertilizer warehouse.</b> The warehouse is well maintained. The symbols and the safety equipments are available. The MSDS and PPE are well provided.</li> <li><b>Fire extinguishing facilities.</b> The land fire extinguisher equipments have been well provided. The fire extinguishers are ready use.</li> <li><b>Hazardous waste storage.</b> The hazardous waste is well maintained. The symbols and the safety equipments are available. The MSDS and PPE are well provided.</li> <li><b>Workshop.</b> According to the field observation, the workshop is well maintained, there is an OHS signboard ass well as the OHS equipments. According to the interview with the workshop foreman, the foreman has aware of the OHS procedure and the hazardous waste facilities have been well-provided.</li> </ol> <p><b>Semilar Estate</b></p>

	<p>19. <b>Barn owl box (Block I53 of Division VI)</b>. Observation on the barn owl management to prey rat.</p> <p>20. <b>Harvesting program (Block H55 of Division VI)</b>. Observation and interview with the foreman and harvesters in term of the harvest work procedure, OHS aspect, waging system and harvest premium system. According to the result of interview, the harvesters are able to demonstrate and run the work instruction as written on the procedure, they are using PPE and they know the wage calculation as well as the harvest premium calculation.</p> <p>21. <b>Herbicide Application (Block J55 of Divisi V)</b>. Observation and interview with the foreman and sprayers. According to the result of interview, the foreman and the sprayers have aware of the work instruction in term of the proper herbicide application as well as have it demonstrated, they have used PPE and have aware of the herbicide application prohibition in riparian and conservation area.</p> <p>22. <b>Landfill (Block H47)</b>. Observation on the domestic waste management.</p> <p>23. <b>Hazardous waste storage and agrochemicals warehouse (Semilar Estate)</b>. Field observation and document observation in term of the chemicals management.</p> <p>24. <b>Boundary poles of MAM 79, MAM 80, MAM 81, MAM 82, MAM 83 and MAM 5</b>. According to the field observation, the boundary poles are well maintained and are installed based on the Land Use Title (HGU) map.</p> <p>25. <b>Ruko Riparian of Block ij 58</b>. According to the field observation, the riparian area is well maintained, there are spray program boundary signboard/marks as well as the prohibition to hunt the endanger animals.</p> <p>26. <b>Rungau Riparian of Block K73 &amp; K74</b>. According to the field observation, the riparian area is well maintained, there are spray program boundary signboard/marks as well as the prohibition to hunt the endanger animals.</p> <p><b>Semilar Mill</b></p> <p>27. <b>Hazardous waste storage</b>. Observation on the Environment OHS implementation.</p> <p>28. <b>Chemicals warehouse</b>. Observation on the Environment OHS implementation.</p> <p>29. <b>Boiler station</b>. Observation and interview with the employees in term of the Environment OHS implementation.</p> <p>30. <b>Generator station</b>. Observation and interview with the employees in term of the Environment OHS implementation.</p> <p>31. <b>Waste Water Treatment Plant (IPAL)</b>. According to the observation, WWTP is well maintained (no leakage, well-functioned flowmeter, full signboard and there is an adequate fence).</p> <p>32. <b>Loading ramp station</b>. According to the field condition, the grading process has been conducted by referring the SOP. The construction is being repaired and the daily sample does not comply the SOP.</p> <p>33. <b>Sterilizer station to final effluent</b>. The sanitation is well maintained, the drainage is well functioned. All the oily wastes are flowed to the WWTP.</p>
<b>2.4</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.4.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1</b>	<p>Consultation of stakeholders for PT Tapan Nadenggan - Golden Agri Resources Ltd was held by:</p> <ul style="list-style-type: none"> <li>• Public Notification at web mutucertification.com on April 16<sup>th</sup>, 2015</li> <li>• Public consultation meeting with local stakeholders (Sungai Rungau Village, Pantab Village and Biru Maju Village) on May 19<sup>th</sup>, 2015.</li> <li>• Public consultation with government agency Seruyan District (National Land Agency; Plantation Agency; Enviroment Agency, Manpower Agency) on May 19<sup>th</sup>, 2015.</li> <li>• Public consultation with Harapan Abadi Cooperative Unit, Bipartit Cooperative Institution and Local Contractor on May 19<sup>th</sup>, 2015.</li> <li>• Public consultation with NGO (Sawit Watch, Walhi dan WWF Indonesia) by email on May 12<sup>th</sup>, 2015.</li> </ul> <p>Numbers of input from stakeholders were clarified by PT Tapan Nadenggan – Golden Agri Resources Ltd.</p>
<b>2.4.2</b>	<b>Stakeholder contacted</b>
	<b>Please find appendix 1.</b>
<b>2.5</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-3</b> ) will be determined one year after this <b>ASA-2</b> (May 2015).



### 3.0. ASSESSMENT RESULT

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

MUTUAGUNG LESTARI has conducted an assessment of Semilar Mill – PT Tapian Nadenggan - Golden Agri Resources Ltd operation consisting of one (1) mill and four (4) oil palm estates. During the assessment, there were (1) nonconformity were assigned against Minor Compliance and six (06) opportunities for improvement were identified.

MUTUAGUNG LESTARI found that Semilar Mill – PT Tapian Nadenggan - Golden Agri Resources Ltd complied with the requirements of RSPO Principle And Criteria For Sustainable Palm Oil Production On April 2013 And Supply Chain Requirement For CPO Mill, November 2014.

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE 1:COMMITMENT TO TRANSPARENCY		
1.1		
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
<p>The procedure of information response is written on the SOP of communication and consultation number SOP/SMART/UMUM/SADV/I/2004. It was legalized by the Sustainability Division Head on July 1<sup>st</sup> 2014. According to the document, there is a procedure of the information request and response flowchart for the internal and external stakeholder. Each of the incoming letter must be responded within 3 weeks once the management unit has the letter received.</p> <p>The procedure of the response over the internal and external stakeholders is written on the same line. Each of the incoming letter shall be recorded on the book of the incoming letter by the SPO Officer. The letter shall be then given to the head of unit. However, if not, the top management consideration shall be requested for the letter. The top management shall consider and determine the reponse as well as coordinating with the associated department if needed. The response shall be informed to the stakeholders along with the official receipt and it shall be recorded on the book of communication and consultation.</p> <p>There example of the information request written on the book of communication and consultation is as follow: the incoming letter from the Seruyan District Manpower Agency number 561/092/Disnakertrans/I/2015 dated February 9<sup>th</sup> 2015 in term of request for the land fire program report (quarter based report) in Mandang and Semilar Estate. The information request was responded by sending the quarter-based report of the land fire extinguishing program report on April 1<sup>st</sup> 2015. The evidence have been shown. All the archieves of the information request are well documented. The retention period of the document is 5 years.</p> <p>According to the public consultation, the company conducts active reporting. For example, according to the Seruyan District Environment Agency staff information, the company reports hazardous waste, environmental management and monitoring plan and effluent routinely.</p>		
	Status: Comply	
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.		
<p>The management unit has the list of the publicly-accessed document. It consisted of the 13 documents. For example, the number of employees, taxpayer ID number, regional tax/retribution payment, environment document, the official letter of the company establishment and changes, data of production area, data of application, abstract of title, HCV report, SIA report, the report of community empowerment program, OHS Guiding Committee report, document of corrective action, document of RSPO audit report, document of human right policy.</p>		

According to the point 2.4.4.b of the SOP of communication and consultation, if the requested information is not available, it shall need the top management consideration.

Furthermore, the company has held socialization in term of the SOP of communication and consultation for Semilar POM and each estate unit on March 4<sup>th</sup> 2015. It was held at Semilar POM meeting room.

**Status: Comply**

### 1.3

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

The company has business ethic policy. It was legalized by the Vice President of Agronomy of PSM 6 on August 1<sup>st</sup> 2014. It describes the ethic commitment on all business transaction and operation referring the company's shared values such as integrity, positive attitude, commitment, sustainable corrective action, innovation and loyalty based on the sustainable estate management principles. The implementations of the policy are as follow:

1. The company shall socialize the practice the shared values to all employees.
2. The company implements ethical behavior standard on all business activity including the attitude and aptitude over the stakeholders, environment and the community.
3. The company admits, implements and promotes the *Good Corporate Governance* by conducting transparent business practices.
4. The company shall punish the employees referring the applied regulation for all type of corruption and forgery which harm the company's finance.

The business ethic policy was socialized to all PT TN BAS employees on April 21<sup>st</sup> 2015 for employees in Pondok 2 and 3 of Semilar Estate, was socialized on April 20<sup>th</sup> 2015 for the employees of Pondok 1 of Semilar Estate, and was socialized on April 9<sup>th</sup> 2015 for employees of Pondok 1, 2 and 3 of Mandang Estate. According to the information from the estate and mill employees, they have received the socialization of the policy in term of the business ethic code applied by the company. All employees have aware of it and shall comply 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.**

The company shows the evidence of the compliance over the legal requirements in aspect of plantation. For example:

- a. The availability of legality and permits of estate such as location permit, plantation business permit, Land Use Title (HGU) progress, EIA document, hazardous waste storage permit, land application permit, tax payment (property and income tax).
- b. Compliance over the environment aspect such as regular report of environmental management and monitoring plan by having hazardous waste storage referring the regulation as well as conducting land application.
- c. Compliance over the aspect of work safety such as having OHS expert, hyperkes doctor and paramedics.
- d. Compliance over the aspect of workers welfare such as paying their wage referring the minimum wage standard as well as providing the insurance for the staff and workers.

The procedure to evaluate the compliance over the statute requirements is written on the SOP number SOP/SMART/UMUM/SADV/I/002 in term of the compliance over regulation and other requirements. It was issued on July 1<sup>st</sup> 2014. According to the SOP, the update of the list of statute is conducted routinely (each semester).

Evaluation of the compliance over the statute is written on the point 2.2.12 of the SOP of the regular evaluation of the compliance over the regulation. It covers:

- a. 100% compliance on the aspect of HCV with 13 regulations.
- b. 100% compliance on the aspect of environment with 53 regulations.
- c. 100% compliance on the aspect of OHS with 47 regulations.
- d. 100% compliance on the aspect of manpower with 37 regulations.
- e. 100% compliance on the aspect of land permit with 28 regulations.

The procedure of evaluation of the compliance over the regulation is conducted by recording each clause associated with

regulation, statute and other requirements. The record provide column of the uncomplained clauses compliance.

There are evidence over the regulations changes such as the compliance over the regulation changes in term of workforce wage in Central Kalimantan Province and the compliance over the regulation changes in term of the obligation to participate on ISPO audit.

The held medical check were as follow:

- Semilar Estate: the regular medical check up on April 17<sup>th</sup> 2015 for 413 workers, on April 18<sup>th</sup> 2015 for 36 workers and on April 20<sup>th</sup> 2015 for 174 workers. According to the result of medical check up, all workers are healthy.
- Mandang Estate: the regular medical check up on January 26<sup>th</sup> -28<sup>th</sup> 2015 in form of physical check up for 715 workers. The medical check up is authorized to the company doctor. According to the result of medical check up, all workers are healthy.
- Semilar POM: the regular medical check up on February 4<sup>th</sup> – 7<sup>th</sup> 2014 in form of the physical medical check up for 173 employees. The medical check up is authorized to the company doctor. According to the result of medical check up, all workers are healthy. The regular medical check up for period of 2015 shall be conducted on the 4<sup>th</sup> week of May 2015.

Semilar POM management unit has opportunity to conduct regular medical check up for period of 2015 (OFI).

The held specific medical check up are:

- Semilar Estate:
  1. Cholinestrase check up for 38 sprayers and chemicals warehouse Officer on December 9<sup>th</sup> 2014. According to the result of the medical check up, there were 13 workers who experience light restriction. According to the follow up action for those workers (who experience light restriction) on January 15<sup>th</sup> 2015, all the workers are now healthy.
  2. Spirometry check up for 3 workers in workshop. According to the result of spirometri check up, all workers are healthy.
- Mandang Estate:
  1. Cholinestrase check up for 38 sprayers and chemicals warehouse Officers on December 10<sup>th</sup> 2014. According to the chilinestrase check up, there were 8 workers who experience light restriction. According to the follow up action for those workers (who experience light restriction) on January 15<sup>th</sup> 2015, all the workers are now healthy.
  2. Spirometry check up for the heavy equipments Operator was held on June 24<sup>th</sup> 2014. According to the medical check up, the sprayers are planned to be examined on June 2015.
- Semilar POM:
  1. Auditometri check up for 18 workers in processing station (boiler and generator Operator and so on) on June 24<sup>th</sup> 2014. The medical check up was authorized to the Hyperkes doctor of West Kalimantan Province. According to the medical check up, 7 workers were suspected for experiencing PAK. Those 6 workers have been sent to Dr Murjani Hospital of East Kotawaringin on May 13<sup>th</sup> 2015. According to the result of medical check up, all the 6 employees are now healthy. Another 1 worker was checked up on May 21<sup>st</sup> 2015. According to the result of the medical check up, the worker is requested to conduct re-medical check up on May 26<sup>th</sup> 2015.
  2. Spirometry check up was held on June 24<sup>th</sup> 2014 for 25 workers. According to the result of medical check up, 2 workers were having light restriction. 1 light restriction suspect was then checked up in Dr Murjani Hospital of Sampit and the worker was asked to have 2 days rest. Meanwhile, 1 light restruction suspect has resigned on 2014. The spirometri medical check up for period of 2015 is planned to be held on June 2015.
  3. Cholinestrase check up on December 9<sup>th</sup> 2014 for 13 workers. According to the result of medical check up, 3 workers were having light restriction. According to the follow up action of the medical check up conducted by the company doctor on January 19<sup>th</sup> 2015, the workers are now healthy.

According to the on point 2.2.8 of the SOP of workers medical check up number SOP/SMART/HESS-EHSD/SADV/II/012, the head of OHS Guiding Committee follows up the doctor's recommendation and the Manager shall approve the recommendation and monitor its implementation.

According to the interview with Seruyan District Environment Agency, the PT TN and PT BAS management unit has achieved the effluent utilization permit and they have reported the monitoring result of the effluent routinely (each quarter). Furthermore, according to the result of interview with Seruyan District Manpower Agency, PT TN and PT BAS management unit have legalized the OHS Guiding Committee organization structure and the company has reported the OHS Guiding Committee report routinely (each quarter).

	<b>Status: Comply</b>	
<b>2.2</b> <b>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.</b>		
<p>Just like previous assessments (ST-2 and ASA-1), there are evidence which prove the land ownership legality. For example:</p> <p><b>A. Evidence of the Abstract of Title of PT. Tapan Nadenggan (PT. TN):</b></p> <ol style="list-style-type: none"> <li>Document of location permit: <ul style="list-style-type: none"> <li>Location permit from the Head of East Kotawaringin District National Land Agency on October 10<sup>th</sup> 1995 for 10,000 hectare.</li> <li>Several changes on the location permit referring the expiry date of the location permit. The latest changes was the location permit handover from PT. BAP to PT. Mitratama Abadi Makmur (MAM) with two decrees. Those are: <ul style="list-style-type: none"> <li>The Decree of East Kotawaringin Regent Number 700.460.42 dated September 30<sup>th</sup> 2003 for 6,837 hectare.</li> <li>The Decree of Seruyan Regent Number 500/1010/EK/2003 for 2,463 hektar.</li> </ul> </li> </ul> </li> <li>Document of Land Use Title (HGU) on 2005 with 2 certificates: <ul style="list-style-type: none"> <li>The Land Use Title (HGU) of PT. MAM for 4,717.39 hectare with certificate number 29 dated October 5<sup>th</sup> 2005.</li> <li>The Land Use Title (HGU) of PT. MAM for 3,561.84 hectare with certificate number 12 dated October 5<sup>th</sup> 2005.</li> </ul> </li> </ol> <p><b>B. Evidence of the Abstract of Title of PT. Buana Arta Sejahtera (BAS):</b></p> <ol style="list-style-type: none"> <li>Principle permits: <ul style="list-style-type: none"> <li>Principle permits from Seruyan Regent dated January 30<sup>th</sup> 2004 for ± 7,000 hectare.</li> <li>Principle permits from East Kotawaringin Regent dated February 21<sup>st</sup> 2004 for 7,300 hectare.</li> </ul> </li> <li>Location permit from Central Kalimantan Governor dated April 8<sup>th</sup> 2004 for 14,300 hectare, the permit is valid for 3 (three) years.</li> <li>Documentation of Land Use Title (HGU) progress: <ul style="list-style-type: none"> <li>Proposal of Land Use Title (HGU) issuance on 2005 has been followed up with the cadastral process (committee B) on 2005.</li> <li>The process of Land Use Title (HGU) is cannot be continued due to the regulation changes on 2005. It requires land lease in PT BAS area due to the inappropriate spatial plan with forest area map.</li> </ul> <p>Most of the Area of PT. BAS are located within forest area referring PT. TGHK (1982). According to the government regulation number 60 year 2012, PT. BAS must process the forest area exchange to the Forestry Ministry within 2 years since 2012.</p> </li> <li>Documentations of the forest area lease are as follow: <ul style="list-style-type: none"> <li>The letter from the Director of PT Buana Artha Sejahtera Number 42/CDL/-BAS6//XI/2012 dated November 13<sup>th</sup> 2012 and the attachment of map to the RI Forest Ministry in term of the proposal of forest area exchange referring the government regulation number 60 year 2012.</li> <li>The attendance list of the land inspection preparation in term of the PT BAS permits process on Thursday, January 31<sup>st</sup> 2013.</li> <li>Photographs of the land inspection conducted by East Kotawaringin District Government in term of the PT BAS permits process on Thursday, January 31<sup>st</sup> 2013.</li> </ul> </li> <li>Progress of the forest area lease during period of 2014 – 2015 are as follow: <ul style="list-style-type: none"> <li>The company has achieved the substitution land in Katingan District on 2014. It is shown by the decree of Katingan Regent number 522.1.1/251/II/Dishut dated March 3<sup>rd</sup> 2014 in term of the suggestion on the forest function area changes as for the replacement of land for PT BAS in Katingan District for ± 8,133 hectare. The letter is shown to the Forestry Ministry along with the attachment of map and the legal standing of the area exchange process in PT BAS.</li> <li>As for the follow up action, the company has gotten the recommendation from Seruyan Regent number 500/687/EKVII/2014 dated July 10<sup>th</sup> 2014 in term of the forest area exchange on behalf of PT. Buana Artha Sejahtera. The letter proposes the exchange recommendation to Central Kalimantan Governor once the company get land in Katingan District.</li> <li>There is no response from the Central Kalimantan Governor until ASA-2 assessment. Therefore, the company need to be more active to ensure the area exchange in level of province and central government.</li> </ul> </li> </ol> <p>According to the document observation, PT. Tapan Nadenggan has conducted legal attributes maintenance. For example:</p> <ul style="list-style-type: none"> <li>Map of Land Use Title (HGU) poles on the map of land area of the Land Use Title (HGU) attachment number 29 year 2005.</li> </ul>		

- Map of Land Use Title (HGU) poles on the map of land area of the Land Use Title (HGU) attachment number 12 year 2005.
- Document of the boundary poles planning and realization.
- According to the result of pole monitoring in Semilar Estate, 55 poles are well maintained.

The boundary poles used by PT Buana Artha Sejahtera are based on the result of cadastral survey on 2005. The legal boundary pole maintenances are shown as follow:

- Map of the land area of the cadastral survey result which informs the land boundary poles based on the cadastral survey.
- Planning and evidence of the cadastral survey poles maintenance realization.
- According to the result of pole monitoring in Mandang Estate, 51 poles are well maintained.

According to the field visit to block O38 of Mandang Estate (the pole number 155 and 158), there is a legal boundary of PT BAS which are installed on PT BAP area for 75 meter long. The area of PT BAS which is managed by PT BAP is a part of the estate management agreement between both companies for 912.97 hectare. It was composed by the Director of PT BAS and the Director of PT BAP on December 31<sup>st</sup> 2010. The agreement is valid since January 1<sup>st</sup> 2004 to 2021.

According to the interview with the locals, there is no land conflict between the company and other parties. Almost all area of PT TN have been compensated and planted. However, there are still 50 hectare unplanted are due to the ownership of the locals. The company does not force the locals to handover their land.

There is still a dispute in form of the land claim from several Biru Maju Village over PT BAS land. PT BAS is considered by the locals for using APL area for transmigration referring the map of Forestry Agency. According to the verification conducted by PT BAS, the map of Forestry Ministry is opposing the map of transmigration plan of Central Kalimantan Governor and Transmigration Ministry.

The disputed land is considered as *status quo* (there is no management and cultivation) until the conflict mapping is done. Even though it is legally the company's land.

In order to solve the land conflict, the company has attempted to:

- Conduct consultation with the local government such as East Kotawaringin Forestry Agency, Transmigration Agency, East Kotawaringin Congress, East Kotawaringin District Secretary, the local Sub-District Heads and etc. evidence of the consultation is available.
- Conduct meeting with the community representatives.
- Holding multistakeholders meeting with the associated parties. It is facilitated by the Head of East Kotawaringin Police Sector. There are evidence of the official record of the multistakeholders assembly.
- Conducting consultation with the central government (Forestry Ministry and Transmigration Ministry) as for the follow up of the multistakeholders assembly.

There are additional attempt to solve the conflict during period of 2014 and 2015. For example:

- The letter from the Central Kalimantan Governor number 525/0649/EK dated May 7<sup>th</sup> 2014 in term of the legalization on the APL area status on behalf of PT. Buana Artha Sejahtera. The letter contains the governor legalization that there is no APL land overlap between PT BAS with Biru Maju transmigration land and the land utilization can be continued.
- The letter from the Central Kalimantan Governor to Seruyan Regent Number 100/512/1.4/PEM dated November 28<sup>th</sup> 2014 in term of the land dispute conflict resolution facilities. It describes the Governor instruction to East Kotawaringin Regent to facilitate the land conflict resolution in PT BAS wisely and cooperatively referring the applied regulation. The resolution is expected to be conducted within a month.

PT. BAS management unit has mapped the conflict participatively by involving the community. It is facilitated by the NGO (The Forest Trust (TFT) and Lingkar Komunitas Sawit (Links)). The mapping was conducted during period of 2013 to 2014. It cover the conflict location (Puri Estate for 657 hectare) and social condition mapping. There are evidence of the conflict mapping comprehensively including the engagement attempts persuasively in dialogue, CSR distribution and cooperative unit establishment.

There is no indication of the violence conducted by the company on the conflict resolution during ASA-2 assessment. For example, in order to overcome the land dispute issue with Biru Maju community, the company has conducted persuasive



dialogue, persuasive engagement, CSR distribution and has established of cooperative unit.

According to the interview with Seruyan District Forestry and Plantation Agency, there is no land dispute issue in PT TN and PT BAS management unit. It is also supported by the result of interview with Seruyan District National Land Agency. According to the interview with Seruyan District Forestry and Plantation Agency, PT BAS is now processing the forest are exchange (quid pro quo).

**Status: Comply**

### 2.3

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

As the previous assessment (ASA-1), there is no customary land within PT TN and PT BAS operational area. The cultivated land is the leased forest area or the compensated individual land.

The company does not force the community who does not want to handover their land. There are several uncompensated land. Those land (for estate) have been compensated. It was conducted voluntarily. The uncompensated land within location permit until the ASA-2 assessment is 85.6 hectare in Serindu and Puri Estate.

There are documents of the land compensation for the compensated land. for example:

1. Evidence of the land compensation in PT. Tapan Nadenggan area.  
There is a recapitulation of PT TN land for Serindu Estate (there is no land compensation in Semilar Estate). The hectareage of the compensated area is 263.47 hectare (27 land owners). The land compensation is divided into 11 stages.
2. Evidence of the land compensation in PT. Buana Artha Sejahtera area.  
There is a recapitulation of land compensation of PT. BAS for Puri and Mandang Estate. The hectareage of the compensated land is 392.89 (44 land owners).

The supporting documents on the land compensation process are the payment receipt, land owner ID, official record of land handover and compensation which are signed by both parties and are witnessed by the chief of village and the head of sub-district, declaration letter of the land handover which is signed by the land owners and is witnessed by the chief of village and the head of sub-district, the declaration letter as the cultivator and the declaration letter over the admission over the land rights which are witnessed by the head of sub-district and the chief of village.

As the process of the previous assessment, the company has the proess of socialization and negotiation during the process of estate establishment as evidence of FPIC implementation. During that process, the implications of legal, economy, legal and socialization, all the relevant informations have been informed to the involved community. During the process of negotiation and socialization, all the relevant informations have been provided and have been informed in form of the proper language and type including the associated legals.

According to the result of interview with the Chief of Rungau Village, PT TN and PT BAS management unit have conducted socialization in term of the procedure of consultation with the community including the FPIC.

**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.**

As the previous assessments (ASA 1 and ST2 sebelumnya), PT. TN and PT. BAS are able to show the company workplan in form of the budget plan for period of 2013 – 2020. The document covers the informations as follow:

- *Profitability*: it contains the information of the processed FFB projection (including *toll in*), projection of the processed total FFB (calculation of the total of FFB), production (CPO, PKO, PKM, and PK), *Revenue*, biaya di estate (*upkeep, manuring, harvesting, transport, ovehead, depreciation*), cost in POM (*processing, repair and maintennce, overhead, and deprecation*), sales cost / *transportation cost* (CPO, PKO, PKM, PK), profit/loss, and *tax portion*.
- *Assumption*: it contains several of the determined and used assumptions on the plan of profitability or the finance (currency, CPO price assumption, inflation, exchange rate, discount rate, and NPV).

- *Tabel cost*: it contains the FFB production cost, FFB processing cost, CPO and PK production cost, average of CPO and PK extraction rate, PKO production cost, *upkeep/ha*, *manuring/ha*, *harvesting/kg*, *transportation/kg*, *overhead/ha*, *depreciation/ha*, FFB cost/kg, Mill cost/kg of PP, PP inti – cost / kg, KCP cost / kg of PKO, bulking cost/kg of CPO and PK, it is available in actual 2011, *projected* 2012, and *budget* 2013.

According to the document of budget plan for period of 2013-2021 and the document of the planting year record, there is no replanting plan in PT. TN and PT BAS for the next 5 years since ASA-2 assessment. The oldest plant was planted on 2005. Meanwhile according to the guideline of palm oil plants planting number SMA/MCAR/01/05-07 the replanting shall be conducted if:

- The plants age is over 25 years old.
- The plants height is more than 13 meter.
- The annual production is below 14 ton/Ha.

**Status: Comply**

#### **PRINCIPLE 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS**

##### **4.1**

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

According to the document observation during ASA-2 assessment, PT. TN dan PT. BAS has had document of SOP-IK of palm oil plants cultivation since the land preparation to its FFB harvest. It was composed by MCAR (*Management Committee Agronomy and Research*) team on 2012. The mentioned SOP document are about the planning on new area planting, replanting, nursery, new land clearing, planting, replanting, pest and disease control, manuring, immature plant maintenance, preparation approaching harvesting program, harvesting program, FFB load and transport and rainfall rate measurement using Ombrometer.

The company also has complete SOP in term of the palm oil processing to be CPO and PK in Semilar POM as written on the SOP number 04-09/MCMD-SOP/438 revision 4. The SOP was legalized by Edwin Ng (Chairman MCMD). The SOP is valid since September 1<sup>st</sup> 2010. It covers the POM SOP such as FFB receipt, sterilization, threshing station, pressing station, clarification station (purification); *sub stasiun Oil recovery tank*, *stasiun nut and kernel*, boiler and engine room, *water treatment*, *final effluent*, storage tank cleaning. There is also SOP number PT TN-SMLM/SOP/07 dated May 1<sup>st</sup> 2012 in term of the procedure of CPO and Kernel product dispatch.

All the SOP have been socialized to the employees during the morning briefing. According to the interview with the harvesters and the harvester foreman in block J46 of division IV of Mandang Estate and in block H55 of division VI of Semilar Estate, they are able to describe the work procedure referring the SOP. For example, the mature and immature fruit criteria, frond arrangement, PPE usage and so on.

The company has conducted internal audit in order to assess the consistency over the procedure implementation. The program is named operational internal audit (OIA). The documented record of the OIA program are as follow:

1. Mandang Estate; there was an internal audit program on August 12<sup>th</sup> to 19<sup>th</sup> 2014 (audit report number 34/VI-MNAE/14).
2. Semilar Estate; there was an internal audit program on August 28<sup>th</sup> to September 4<sup>th</sup> 2014 (audit report number 37/VI-SMLE/14).
3. Semilar Mill; there was an internal audit program on February 2<sup>nd</sup> – 7<sup>th</sup> 2015 in 1<sup>st</sup> semester of 2015.

The internal audit is conducted routinely (each semester). The result of internal audit shall be a reference for the evaluation on the operational performance, the result of internal audit shall also be the reference for the assessment over the unit head and its unit performance.

All the company's operational are documented based on each work item by each person in charge. For example:

1. Mandang Estate; there is a daily operational record. For example, the harvest inspection conducted by the harvester foreman. According to the form, there are records of harvest inspection on the harvesting programs for each harvesters such as the number of the harvested FFB, the left FFB, the broken frond, sunflower and etc.
2. Semilar Estate; the harvest achievement is recorded by the FFB harvester clerk. The record contains the number of the FFB in each fruit collecting point, FFB criteria (mature, less mature, immature, long frond and so on) as well as the total of

the harvested FFB.

Semilar Mill; there is a daily production report on May 18<sup>th</sup> 2015, the total of the received FFB, total of FFB restan, total of the processed FFB, CPO and Kernel stock, CPO and Kernel extraction, oil quality (FFA, Dirt dan Moisture), CPO and Kernel Dispatch, the processed hour and throughput.

The company has records of non-nucleus estate FFB suppliers, those are Tangar Estate and Bukit Tiga Estate (PT. Binasawit Abadipratama). Those estates have achieved RSPO certificate number MUTU-RSPO/029 dated August 26<sup>th</sup> 2013.

According to the field visit to Semilar Estate (Block H55 of Division VI) and to Mandang Estate (Block J46 of Division VI), the foreman and the harvesters are able to describe the harvesting procedure perfectly. The foreman and the harvesters are able to describe the fruit criteria perfectly.

**Status: Comply**

#### 4.2

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

Several practices conducted by the company to optimize the production outcome are:

1. The company clears the land with zero burning method. It is written by land clearing agreement.
2. Manuring by referring the recommendation determined by SMARTRI on the document of manuring for period of 2015. For example, the dosage of kieserite is 0.75 kg/plant, it is applied in block M44 of division VI and it is mechanically applied. The dosage of application is referring the written recommendation.
3. Soil layer plants maintenance to keep the soil humidity by reducing evaporation such as LCC planting and *Nephrolepis bisserata* maintenance.
4. The use of organic ingredient to increase the soil fertility such as EFB application with dosage of 40 ton/Ha/year for the non riparian area and 60 ton/Ha/year for the riparian area. Meanwhile, the effluent application dosage is 375 m<sup>3</sup>/Ha/year. It complies the SOP of manuring and SMARTRI recommendation.

The company has documented fertilizer usage properly. According to the data of manuring realization in each estate on 2015 (January – May 18<sup>th</sup> 2015), the type of fertilizer used by Mandang Estate and Semilar Estate are Urea, MOP, TSP, Rock Phosphate, Super Dolomite, Kieserite, Borate, CuSO<sub>4</sub> and DAP.

The dosage for manuring program is based on the routine soil and leaf analysis. According to the document verification, there are several facts. For example:

1. Soil sampling unit; it was conducted in Semilar Estate on November 24<sup>th</sup> 2014 and Mandang Estate on January 9<sup>th</sup> 2015. It is taken based on the plants age (3 years, 8 years, 13 years, 18 years, 23 years and 1 year before replanting program) in LSU blocks. The analyzed parameters are the texture, pH H<sub>2</sub>O dan KCl, N-Kjeldahl, C-organic, P<sub>2</sub>O<sub>5</sub>, cation exchange capacity, exchanged base, the exchanged Al and H, P<sub>2</sub>O<sub>5</sub> total, K<sub>2</sub>O total, micro substance (Ci, Zn, Mn and Fe), Boron and Sulphur.
2. Leaf analysis (leaf sampling unit). It was conducted on May (Central Kalimantan) and it was sent on August 12<sup>th</sup> 2014 to SMARTRI LIBO. The result of the leaf analysis is released on August 21<sup>st</sup> 2014 for Mandang Estate and Semilar Estate. The analyzed parameters are the substances of N, P, K, Mg, Ca, B dan Cl.

Furthermore, the company also used another organic fertilizer in form of the EFB and effluent. According to the documentation of the applied EFB in Semilar Estate and Mandang Estate during period of 2015, there are 9,113 ton of EFB application in Semilar Estate and 4,902 ton of EFB application in Mandang Estate. The effluent (POME) is applied only in Mandang Estate with the hectareage of the application block for 360.47 Ha. Total of the POME application during 2015 is 68,068.75 m<sup>3</sup>.

According to the data Aand field observation (Block M44 Divisi VI), the company has attempted to maintain and improve soil fertility. According to the data, the auditor concluded that the company has attempted to maintain and improve the soil fertility by adding organic and anorganic ingredients.

**Status: Comply**

#### 4.3

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

The company can show a map of the land for each - each estate in PT. TN and PT. BAS in the document maps album titled "Semi-Detail Soil Survey Map". Main source of information is the field survey conducted on November 11<sup>th</sup> – 17<sup>th</sup> 2008. The map presented in the scale of 1: 50,000 and are still technically allow for enlarged to a scale of 1: 25,000 for soil samples were taken from each block. The map contains a map of the land unit containing information: classification of land, texture, depth, drainage, limiting factors, rocks, and compliance information for the development of oil palm plantations.

According to the soil maps, it is known that in some parts of the estate there is a land with a slope of 21-40%. On the sloping land the company implements the manufacture of pickets and contour terraces, building hoof (individual terrace), plant conservation, and so forth. A reference document that this is SOP-IK Books Technical Oil Palm Cultivation Sinar Mas, in particular in Chapter I SOP on Investment Planning New Areal with the details as follows:

- a. Appendix SOP Investment Planning New Areal No. Document LAMP / I / TA-PPA / 02-Classification of slope and Purposes terrace created on March 26, 2012. In the document explained that the slope of 21-40% to at least 3.0 m wide terrace depend on the condition of soil and soil depth. As for the slope of > 40% is not recommended to be planted.
- b. Activity contour terracing and hooves set in the document SOP / SMART / MCAR / I / TA-PPA and Work Instructions IK / SMART / MCAR / I / TA-PPA / 03-Terrace.

According to the field observations both in Semilar Estate, there are efforts made by companies related to the management area with a certain slope is terracing contours, preparation of the midrib on the lips of the porch and let *Neprolephis bisserata* grown steadily in the block. For example there is a porch contour G70 has followed the preparation of the midrib terrace lip so as to minimize the potential for erosion

Road maintenance performed referring to the Technical Manual Oil Palm Cultivation Sinar Mas on Roads and Bridges. All data related to the program and the realization of road maintenance work can be seen in document maintenance program for roads and bridges. At the time of the site visit, the auditor had the opportunity to see the process of road maintenance is being carried out in block H49 and H50 of Division V of Semilar Estate. The process of road maintenance is using heavy equipment (road greeder) by forming a convex body of the road so that water drainage can be functioned properly allowing the road can be traversed in a variety of weather conditions (all-weather road).

Based on the document observation of the semi-detailed soil survey map, there is no operational area of the estate # included in the category of peat. The company has established a fragile soil classification (marginal) is the sandy soil category and areas HCV (border river). For that there are several strategies for companies to manage these marginal lands, among others, by:

1. Provide an empty bunch application at a dose of 40 tonnes / ha / year as a supplement in addition to the provision of inorganic fertilizers.
2. The riparian area is not applied with chemical applications (both fertilizers and pesticides) is given an empty bunch application of 60 tons / ha / year.
3. Keep the soil moist by spraying the plants are not able to maintain ground cover, for example, *Neprolephis bisserata*.
4. Planting erosion control plants Guatemala grass (*Tripsacum andersonii*) and woody plants. Woody plants in block N41 of division V of Mandang Estate.

According to the field observation to Semilar Estate (Block G70), the company has attempted to manage the slope area by ceating contour terrace, arranging frond at the terrace edge and growin *Neprolephis bisserata* on the block. For example, there is a palm frond arrangement following the terrace edge to reduce the erosion potential in block G70.

**Status: Comply**

#### 4.4

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

The attempts to protect the waterway, wetland and riparian area. For example:

- a. Determining riparian area
  - Implementation of management policy in the form of a circular from the decree of Vice President of Agronomy No. 07 / VPA-RSPO / 03/2010 PSM 6 On March 9th 2010 on the Management Area of Interest Watershed. The contents of the letter are the technical arrangements cultivation contained in derah streams, namely oil palm staple 5 in the left and right of the river in order to be guided by the following: 1) Treatment plants do not use chemicals (chemist), but it is conducted manually; 2) Fertilization is not done mechanically (air or emdeks), but it is conducted manually; 3) On the order of cliff landslide-prone arable cropping - erosion control plants.



- As a follow up to the circular, has published SOP Management and Monitoring of Water Resources in number SOP / SMART / BCOS-EHSD / SADV / I / 004. It was ratified by the Head of Sustainability Division on July 1st 2014 (revised SOP management of river border with No: SOP / SPO / samrt / LH-07, dated July 1st 2010) which contains guidelines on the management of riparian plantations around the estate of Sinarmas.
- b. Woody plant planting in riparian area  
According to the field observations, there has been planting grass barriers to erosion types in Guatemala border river. For example, commercial river in Mandang Estate.
- c. The installation of the chemicals application prohibition in riparian area.  
There have been boundaries in the spray area boundary (riparian areas) in the form of a red cross sign and signboard prohibition of chemical activity. According to the results of interviews with employees primarily work using pesticides, the employees have aware of the boundary signs.
- d. River Water Quality monitoring  
At the request of the EIA document, water quality monitoring conducted in the upstream and downstream river office on September 22<sup>nd</sup> 2014 by laboratory tests conducted PT. Mutuagung Lestari (LP-001-IDN). According to the results of monitoring conducted, all parameters measured were below the threshold set by the regulations.
- e. Groundwater monitoring in the form of well water used by employees  
Water quality monitoring wells is conducted in all the area of PT. TN and PT. BAS (4 area). It is conducted regularly (each semester). Monitoring of well water is an initiative of the company to ensure the safety of water consumed by employees. It was tested by East Kotawaringin Health Laboratory UPTD on September 29<sup>th</sup> 2014.
- f. Groundwater monitoring in the form of water monitoring wells from the Land Application.
- g. The test is conducted on the monitoring wells at three spots in Mandang Estate as an area targeted by the Land Application.

At the time of the previous audit visits are OFI Minor 6.5.1 of improvement for the company to monitor / manage water wells used as water consumption with a pH <6.5. based on observations document the test results of the samples contained the following information:

- Semilar Estate: The well water test in Pondok 1, 2 and 3 Semilar Estate. According to the report the results of tests conducted by the UPTD Regional Health Laboratory of East Kotawaringin, it was found that the pH of the water at the sample location is 6.5 to 7.27. As for the other parameters tested were turbidity, levels of iron, chloride, hardness (CaCO<sub>3</sub>), pH, total coliform bacteria and fecal coliform. According to the Health Ministry Regulation number 416 / Menkes / PER / IX / 1990 dated September 22<sup>nd</sup> 2014, all the parameters comply the quality threshold.
- Mandang Estate: The well water test in Pondok 1, 2 and 3 Mandang Estate. According to the report the results of tests conducted by the UPTD Regional Health Laboratory of East Kotawaringin, it was found that the pH of the water at the sample location is 6.86 to 7.75. As for the other parameters tested were turbidity, levels of iron, chloride, hardness (CaCO<sub>3</sub>), pH, total coliform bacteria and fecal coliform. According to the Health Ministry Regulation number 416 / Menkes / PER / IX / 1990 dated September 22<sup>nd</sup> 2014, all the parameters comply the quality threshold.
- Semilar Mill: record of the test in accordance with the test report No. 3308 / SL / IX / 14. It was held by PT Mutuagung Laboratory on September 22<sup>nd</sup> 2014 (accredited LP - 001- IDN). All the tested parameters comply the Health Ministry Regulation number 416 / Menkes / Per / IX / 1990. The water is drinkable.

Several attempts conducted by the company protect the waterway are:

1. Installation signboard prohibition of chemical activity, spraying ban stakes and paint the prohibition sign on the oil palm tree in the form of a red cross. According to the field observations in the flow of commercial river, River Sei Rindu, Mandang River (Semilar Estate), River Rungau and commercial Rivers (Semilar Estate), there have been boundary markers and its poles.
2. Planting crops as barriers to erosion such as woody plants like *Sungkai* (*Peronema canescens*) and Guatemala grass (*Tripsacum andersonii*) lawns across the bordering rivers in the area of operations of PT. TN and PT. BAS.
3. Installation of warning signboards on fish poison as installed in commercial river border Blocks H66 I69 Division III and Division II (Semilar Estate) and the banks of the River Blocks H28 Mandang Mandang Estate Division II (March 2013).

The Company has effluent test results for Land Application in Plant Semilar by Board policy assessment, climate and quality of industry Research and Industry Standardization of Pontianak (accredited by National Accreditation Committee LP-079-IDN).

- BOD test is conducted in Semilar POM WWTP outlet.

Month	Test Result	Quality Threshold of the decree of
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			Environment Ministry number 29 year 2003	
	BOD5	PH	BOD	PH
January 2015	1,008 mg/l	7.2	5,000 mg/l	6-9
February 2015	4.658 mg/l	7.24	5,000 mg/l	6-9
March 2015	4.379 mg/L	7.21	5,000 mg/l	6-9
April 2015	3.035	7.13	5,000 mg/l	6-9

The test was conducted on January – April 2015.

Reports of the effluent test results have been reported and accepted by BLH Seruyan on 29 April 2015 and Central Kalimantan Province Environment Agency on May 12<sup>th</sup> 2015 by letter number 011 / TN / EHSD / 04/2015

- Measurement BOD effluent conducted by the Laboratory SMATRI Mandang Estate Sub Station Rungau River Estate.

Location	Date	Result		Quality Threshold of the Environment Ministry number 29 year 2003	
		BOD	PH	BOD	PH
Division 05, L37	March 31 <sup>st</sup> 2015	2,903	7.10	5000 mg/l	6-9
Division 2, J-34	March 9 <sup>th</sup> 2015	1,210	7.45	5000 mg/l	6-9
Division 5, K-38	January 21 <sup>st</sup> 2015	1,113	7.44	5000 mg/l	6-9
Division 5, L-38	January 13 <sup>th</sup> 2015	2,419	8.06	5000 mg/l	6-9
Division 5 L-37	January 4 <sup>th</sup> 2015	2,419	8.08	5000 mg/l	6-9

- The water test on the monitoring wells have been reported to the PT Buana Artha Sejahtera environmental management and monitoring plan in 2<sup>nd</sup> semester of 2014 and in April 23<sup>rd</sup> 2015. The test was conducted by the Laboratory of Mutuagung Lestari PT (accredited by KAN LP-001-IDN)

Location	Date	Result		Quality Threshold of the Environment Ministry number 29 year 2003	
		BOD	PH	BOD	PH
Monitoring well of Block K40	September 23 <sup>rd</sup> 2014	4.62	6.20	5,000 mg/l	6-9
Monitoring well of Block K37	September 23 <sup>rd</sup> 2014	6.12	5.60	5,000 mg/l	6-9
Pondok 1	September 29 <sup>th</sup> 2014	6.35	5.44	5,000 mg/l	6-9

Soil analysis results on the block K40 by a depth of 0-20 cm is done once a year by the Soil Science Laboratory Mulawarman 2014. As, Ph H2O 1: 2.5 (4:51); C-Org (%) 0.97, N-Total (%) 0:07; Base saturation (%) 19:02; Water permeability (cm / hr) 1,070; P available 0.91 ppm, etc. The source of the impact caused by the activities of planting and cover crops and garden maintenance activities and land applications. Soil analysis results obtained for each parameter values obtained majority are in a scale of 1 or very bad. This is consistent with the baseline are worth 1 or very bad.

The average water use per ton / tbs for 2014 amounted to 1.07 tonnes / FFB still meet budget which amounted to 1.19 m3 / tonne of FFB.

According to the field visit to Mandang Estate (Block 038) and to Semilar Estate (Block K73), the management unit has attempted to preserve the Rungau Riparian. There is a mark of spraying programs boundary at the left and right of the river.

**Status: Comply**

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

Integrated pest management program documented in mature upkeep budget 2015. Some of the items are programmed include: detection of pest six rotations in a year, the census pest 4 times a year, pest spray 2 times a year, major worm eggs 2 times a year, planting and maintain plant host 12 times a year, census animal pests four times a year, pairs of rat poison bait 2 times a year, for gupon Tyto alba 1 times a year and maintain 12 times a year.

According to the document review on the pest census in Semilar Estate and Mandang Estate, there is no palm oil plants leaf eater attack which exceed the economy threshold. In order to collect the data of the attack, the company conducts routine census (monthly) and maintain the beneficial plants. In order to handle the rat attack, the company uses the rat natural enemy named barn owl. The company installed 138 barn owl boxes (64 barn owl boxes are active) to control the 4,008 Ha area of Semilar Estate and the company also installed 156 barn owl boxes (59 barn owl boxes are active) to control 4,281.32 Ha area of Mandang Estate.

In order to maintain the employee's competence to implement IPM, leaf sampling unit and soil sampling units, the company held training to understand and to control palm oil plants leaf eater caterpillar on February 12<sup>th</sup> 2014. It was participated by 22 participants consisted of the census Officer and Assistant division of Semilar Estate. It was also held on April 22<sup>nd</sup> 2015 in Mandang Estate emplacement. It was followed by 44 participants. The training was organized by SMARTRI Sub-Station of SRGE.

According to the field visit to Mandang Estate (Block 038) and to Semilar Estate (Block K73), the management unit has attempted to preserve the Rungau Riparian. There is a mark of spraying programs boundary at the left and right of the river.

<b>Status: Comply</b>
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**4.6**
**Pesticides are used in ways that do not endanger health or the environment**

According to the document review, the pesticide used by the company are:

- Roll Up: systemic herbicide active ingredient isoprophyl aminaglyphosat. Target weeds are the narrow-leaved weeds, broadleaf and reeds. Registered in the Ministry of Agriculture of Pesticide Commission in RI registration number. 01030120042133. It is valid until December 31<sup>st</sup> 2018.
- Rolixone: systemic herbicide active ingredient paraquat dichloride. Target weeds are narrow-leaved weeds and broadleaf. Registered in the Ministry of Agriculture of Pesticide Commission in RI registration number. 01030120062467. It is valid until June 23<sup>rd</sup> 2016.
- Rolikum: anticoagulant rodenticide active ingredients brodifacoum. Registered in the Ministry of Agriculture of Pesticide Commission in RI registration number. 01120120113993. It is valid until June 23<sup>rd</sup> 2016.
- Erkafuron; systemic herbicide active ingredient metsulfuron methyl targeting broadleaf weeds. Registered in the Ministry of Agriculture of Pesticide Commission in RI registration number. 01030120062405. It is valid until June 23<sup>rd</sup> 2016.

The records of pesticide toxicity are routinely (monthly) documented in the recapitulation toxicity of pesticides in Mandang and Semilar Estate. The company has a policy of use of pesticides which aims to minimize the use of pesticides annually. For example, the use of pesticides to control weeds. For example, the use of herbicides to control weeds in the circle and bear markets in the area of immature plantations will decrease when the plant is entering the age of the plants produce. The dose of herbicide in the circle and bear markets in the area of the immature plant is 0.375 liters / ha will be decreased to 0.25 liters / ha in the mature plant area. Along with the higher and the closing of the plant canopy, then the weeds also smaller so that the dose of herbicide used also will be smaller.

The company has commitment to reduce the paraquat usage. The commitment is written on the paraquat usage policy issued by the Vice President of Agronomy of PT. Tapani Nadenggan and PT. Buana Artha Sejahtera. According to the policy, the company has commitment to protect the environment aspect and to prevent the negative impacts over the environment and create safety workplace for all employees work with those kind of chemicals. It is supported by the data of the active ingredient usage reduction. For example:

Year	Paraquat Usage (liter)	Brodifacoum Usage(kg)
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	SMLE	MNAE	SMLE	MNAE
2012	1,459.66	1,108.88	2,816.12	4,504.33
2013	1,254.41	1,083.85	2,506.60	2,369.60
2014	734.23	1,002.02	998	2,284.94
2015 (April)	174.15	29.26	314.64	441.70

Source: the data of paraquat and brodifacum usage during period of 2012 – 2015.

According to the data, the company has sent the employees and foreman to participate on the limited pesticide applicator training held by the associated agency. For example:

- **Semilar Estate:** The training of the limited pesticide usage held on may 26<sup>th</sup> 2012, July 29<sup>th</sup> 2011, June 12<sup>th</sup> 2013 and March 12<sup>th</sup> 2012 in Sei Rungau Estate and Semilar Estate Sportorium. It was held by the East Kotawaringin District Plantation Agency.
- **Mandang Estate;** The training of the limited pesticide usage held on May 26<sup>th</sup> 2012 in SRGE Sportorium and on March 12<sup>th</sup> 2015. It was held by the East Kotawaringin District Plantation and Forestry Agency.

On the pesticide application program, the involved Officers have aware of the pesticide application work procedure. Furthermore, there are several things to ensure the pesticide usage OHS. For example:

- Socialization of MSDS to the involved Officers involved on the pesticide application every morning briefing. The MSDS sheet are tapped on the work equipments warehouse, agrochemicals warehouse, pesticide equipments vehicles and the foreman book.
- The proper PPE usage. For example, gloves, masker, helmet, apron and gloves. Observation over the sprayer team in Mandang and Semilar Estate shows that all the involved team members have used proper PPE.
- The pesticide applicators have followed the limited pesticide training held by East Kotawaringin District Plantation and Forestry Agency.
- The first aid kit is available and is always brought by the certified sprayer foreman. According to the observation on the sprayer team of division IV of Mandang Estate and sprayer team of division V of Semilar Estate in block I41 and J55, the foreman and the sprayers are able to demonstrate the first aid action.
- The installation of the area boundary prohibition signboard of the area applied with pesticide.
- The installation of pesticide application prohibition signboard to avoid the environment contamination. Furthermore, there is a red paint on the palm oil plants nearby riparian area to mark the area from being applied by using pesticide.

According to the pesticide application program, the involved applicators have already known the pesticide application procedure. Furthermore, there are several determined things to ensure the pesticide usage work safety. For example:

- Socialization of MSDS to the involved Officers involved on the pesticide application every morning briefing. The MSDS sheet are tapped on the work equipments warehouse, agrochemicals warehouse, pesticide equipments vehicles and the foreman book.
- The proper PPE usage. For example, gloves, masker, helmet, apron and gloves. Observation over the sprayer team in Mandang and Semilar Estate shows that all the involved team members have used proper PPE.
- The pesticide applicators have followed the limited pesticide training held by East Kotawaringin District Plantation and Forestry Agency.
- The first aid kit is available and is always brought by the certified sprayer foreman. According to the observation on the sprayer team of division IV of Mandang Estate and sprayer team of division V of Semilar Estate in block I41 and J55, the foreman and the sprayers are able to demonstrate the first aid action.

The company has had washing station and storage for storing the pesticide containers. The pesticide containers shall be used and stored at the warehouse. It will be then returned to the pesticide producer. According to the document review and interview with the estate operationals staff, there is no pesticide application by using plane or helicopter.

According to the document review, the company has had policy in term of the waste management. For example:

- Semilar Estate: there is a circular number 001/EM-SMLE/X/2014 dated October 1<sup>st</sup> 2014 in term of the regulation to keep the sanitation good and to separate the garbage and to not burn the garbage.
- SOP of waste management which was legalized by the Head of Upstream on July 1<sup>st</sup> 2014 in document number SOP/SMART/LEMS-EHSD/SADV/II/002. On point 2.2.4 in term of the pesticide containers management.

- The record of socialization of emergency response, prohibition to burn garbage and hygiene and organic waste separation. The socializations were conducted gradually in each housing complex. For example, socialization in Pondok 2 of SMLE on March 17<sup>th</sup> 2015, in Pondok 1 of SMLE and in Pondok 3 of SMLE on March 18<sup>th</sup> 2015.
- The record of socialization of emergency response, prohibition to burn garbage and hygiene and organic waste separation. The socializations were conducted gradually in each housing complex. For example, socialization in Pondok 3 of MNAE on January 26<sup>th</sup> 2015, on Pondok 2 and Pondok 1 of MNAE on January 26<sup>th</sup> 2015.

The Semilar and Mandang Estate management unit hold routine annual medical check up. For example:

#### **Regular Medical Check up**

- Semilar Estate: the regular medical check up on April 17<sup>th</sup> 2015 for 413 workers, on April 18<sup>th</sup> 2015 for 36 workers and on April 20<sup>th</sup> 2015 for 174 workers. According to the result of medical check up, all workers are healthy.
- Mandang Estate: the regular medical check up on January 26<sup>th</sup> -28<sup>th</sup> 2015 in form of physical check up for 715 workers. The medical check up is authorized to the company doctor. According to the result of medical check up, all workers are healthy.

#### **Specific Medical Check Up**

- Semilar Estate:
  1. Cholinestrase check up for 38 sprayers and chemicals warehouse Officer on December 9<sup>th</sup> 2014. According to the result of the medical check up, there were 13 workers who experience light restriction. According to the follow up action for those workers (who experience light restriction) on January 15<sup>th</sup> 2015, all the workers are now healthy.
  2. Spirometry check up for 3 workers in workshop. According to the result of spirometri check up, all workers are healthy.
- Mandang Estate:
  1. Cholinestrase check up for 38 sprayers and chemicals warehouse Officer on December 9<sup>th</sup> 2014. According to the result of the medical check up, there were 13 workers who experience light restriction. According to the follow up action for those workers (who experience light restriction) on January 15<sup>th</sup> 2015, all the workers are now healthy.
  2. The spirometri check up for the heavy equipment operator was held on June 24<sup>th</sup> 2014. The spirometri check up is planned on June 2015.

The management unit has a commitment to not employ the pregnant and breastfeeding women workers as the pesticide applicator. There is no pregnant and breastfeeding women workers as pesticide applicator in Semilar Estate. Meanwhile, there are pregnant and breastfeeding women workers in Mandang Estate as pesticide applicator. Therefore, the management unit has document of the pregnant and breastfeeding women workers monitoring. According to the monitoring on May 2015, there is no pregnant nor breastfeeding women workers in Mandang.

#### **Field Visit:**

According to the field visit and interview with the workers, there are several facts. For example:

- The POM worker's health have been regularly checked up.
- There is no women workers in Semilar Estate who work as pesticide applicator.
- There is no breastfeeding and pregnant women workers who work as pesticide applicator in Mandang Estate.
- All the pesticide applicators have been checked up (regular and specific medical check up).

<b>Status: Comply</b>
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#### **4.7**

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

The estate and mill management unit has similar OHS policy. It was signed by the President Director of PT. SMART TBK on November 1<sup>st</sup> 2013. The policy contains:

- Communicating the policy and OHSMS procedure to all employees and stakeholders to ensure their awareness;
- Complying all statutes, regulations and other terms associated with OHS;
- Ensuring the OHSMS implementation as part of the company's operational;
- Identifying, assessing and handling the danger risk in each operational with sustainable corrective action;
- Managing and monitoring the OHSMS indicator as well as conducting sustainable corrective action to improve OHS management performance.

The OHS plan which covers all the operational have been well documented on the estate and mill OHS program. The OHS program has been well implemented and well monitored for its effectiveness on the OHS Guiding Committee monthly meeting. For example:

- Mandang Estate: The OHS Guiding Committee work program on 2015 was composed by the OHS Guiding Committee secretary on January 4<sup>th</sup> 2015. For example, the first aid action training on June, fire extinguishers usage training on February, etc.
- Semilar Estate: The OHS Guiding Committee work program on 2015 was composed by the OHS Guiding Committee secretary on January 6<sup>th</sup> 2015. For example, the OHS Guiding Committee monthly meeting (realized on January 9<sup>th</sup>, February 13<sup>th</sup>, March 18<sup>th</sup> and April 17<sup>th</sup>), the report of OHS Guiding Committee to Manpower Agency (realized on January 5<sup>th</sup> and April 2<sup>nd</sup>), the regular medical check on January (realized on April 17<sup>th</sup>), etc.
- Semilar POM: The OHS Guiding Committee work program on 2015 was composed by the OHS Guiding Committee secretary on January 12<sup>th</sup> 2015. For example, the first aid action training on April, fire extinguishing equipments inspection (realized), etc.

All the operational which able to threat the life have been analyzed. The analysis are written on the document of the procedure in term of dangers source, risk assessment and handling number SOP/SMART/HESS-EHSD/SADV//002 dated July 1<sup>st</sup> 2014. It was signed by top management. There are several implementations. For example:

- Mandang Estate: the document of the danger identification and risk handling which was composed on December 22<sup>nd</sup> 2014 for period of 2015. The document was composed by the OHS Guiding Committee secretary. The identification is conducted by considering the routine and non routine work. For example, immature plant maintenance referring the Management Committee Agronomy and Research.
- Semilar Estate: the document of the danger identification and risk handling which was composed on December 22<sup>nd</sup> 2014 for period of 2015. The document was composed by the OHS Guiding Committee secretary. The identification is conducted by considering the routine and non routine work. For example, manuring in form of the manual manuring referring the SOP of mature plant maintenance and manuring work instruction.
- Semilar Estate: the document of the danger identification and risk handling which was composed on December 22<sup>nd</sup> 2014 for period of 2015. The document was composed by the OHS Guiding Committee secretary. The identification is conducted by considering the routine and non routine work. For example, the FFB loading to the truck referring the work instruction to load FFB to the truck.

All the workers involved on the operational are trained to understand the safety work practice. The training plan is able to be seen on each OHS training program composed by each management unit. For example:

- Semilar Estate: the record of the fire simulation invitation on March 30<sup>th</sup> 2015. It was attended by 36 workers. The land fire simulation was held on Pondok 2 SMLE. The limited pesticide training on March 12<sup>th</sup> 2015. It was attended by 34 workers. The training was held on Semilar Sportorium.
- Mandang Estate: the record of the limited pesticide training was held at Semilar Sportorium on March 12<sup>th</sup> 2015. It was attended by 44 workers.
- Semilar POM: the record of fire simulation was held at Semilar POM housing complex on October 13<sup>th</sup> 2014. It was attended by 52 workers.

Furthermore, the proper PPE are also provided to all workers who work at the high risk station. The estate and mill management unit have commitment to provide PPE to all the workers. For example:

- Semilar POM: the record of the PPE provision in form of the spraying masker for 6 workers of division IV on March 27<sup>th</sup> 2015. The record of PPE provision in form of apron for 6 workers of division II on February 11<sup>th</sup> 2015.
- Mandang POM: The record of the PPE provision in form of the boots for 2 harvesters of division IV on April 8<sup>th</sup> 2015.
- Semilar POM: The record of the PPE provision in form of the Ear Plug for 1 worker of workshop on February 27<sup>th</sup> 2015.

The estate and mill management unit has appointed the person in charge of the OHS for workers. They are appointed based on the Manpower Ministry Regulation number 4 year 1987 by forming OHS Guiding Committee. The OHS Guiding Committee is then legalized by the Seruyan District Manpower Agency. The example of the OHS Guiding Committee and the PIC of OHS are as follow:

- Semilar Estate: the decree of OHS Guiding Committee number 560/1076/KEP/DISNAKERTRANSPAR/X/2013 in term of



the OHS Guiding Committee and emergency response team of PT TN – Semilar Estate legalization on October 25<sup>th</sup> 2013. The decree is valid for 3 years since it legalization. Caretaker: Hendra O. Mapasa; Leader: Pariama Sinaga; Secretary: Donni Kristian. The OHS Guiding Committee Secretary has participated on the OHS Expert training and has achieved the decree of OHS Expert from the Manpower Ministry number 5712/PK3/AJ/31/2013/P0. It is valid till June 13<sup>th</sup> 2016.

- Mandang Estate: the decree of OHS Guiding Committee number 560/515/KEP/DISNAKERTRANSPAR/V/2013 in term of the OHS Guiding Committee and emergency response team of PT. BAS – Mandang Estate legalization on May 3<sup>rd</sup> 2013. The decree is valid for 3 years since it legalization. Caretaker: Hendriyaga Utama; Leader: Danar Wijayanto; Secretary: Kuspan. The OHS Guiding Committee Secretary has participated on the OHS Expert training and has achieved the decree of OHS Expert from the Manpower Ministry number 3511/PK3/AJ/31/2012/P0. It is valid till January 7<sup>th</sup> 2016.
- Semilar POM: The legalization of OHS Guiding Committee is on progress. The proposal of the OHS Guiding Committee structural changes has been sent to the Seruyan District Manpower Agency and it has been received on March 31<sup>st</sup> 2015. Caretaker: Gopikandan Narayanasamy; Leader Imam Zabidi; Vice Leader: Sugiono; Secretary: Perwitha Jaka W. The OHS Guiding Committee Secretary has participated on the OHS Expert training and has achieved the decree of OHS Expert from the Manpower Ministry number 9171/PK3/AJ/31/2014/P1. It is valid for 3 years.

The OHS Guiding Committee hold monthly meeting regularly to discuss the issue of workers health, safety and welfare. The record of the meeting is routinely (each quarter) reported to the Seruyan District Manpower Agency. The records of the assembly are as follow:

- Semilar Estate: The OHS Guiding Committee meeting was held on April 17<sup>th</sup> 2015. It was attended by 32 workers. It was discussing the follow up of the assembly on March, reviewing the work accident report on March and April as well as the maintenance of fire extinguisher.
- Mandang Estate: The OHS Guiding Committee meeting was held on April 16<sup>th</sup> 2015. It was attended by 17 workers. It was discussing the plan of simulation on the case of poisons, chemicals leakage and riots. It was also discussing the changes on the OHS Guiding Committee membership caused several mutation staff, construction of the circle next to the main office, order to use the helmet beyond the workhours and the slippery road to pondok 3.
- Semilar POM: The OHS Guiding Committee meeting was held on April 2<sup>nd</sup> 2015. It was attended by 13 workers. It was discussing the RSPO surveillance audit in Semilar POM, etc.

The estate and mill management unit is able to show the procedure of the emergency response. The procedure is written on the SOP of emergency response number SOP/SMART/UMUM/SADV/II/005 dated July 1<sup>st</sup> 2014 and it was signed by the top management. The SOP contains:

- Flowchart of the emergency response
- The description of the emergency response flowchart
- The flowchart of the emergency response simulation
- The description of the emergency response flowchart simulation
- Flowchart of the emergency response handling
- The description of the emergency response flowchart

The mill and estate management unit is able to show the procedure of work accident. The procedure is written on the SOP of accident and disease handling number SOP/SMART/HESS-EHSD/SADV/II/005 dated July 1<sup>st</sup> 2014 and it was signed by the top management. The summary of the SOP are as follow:

- The victim should be evacuated by using the available equipments while the first aid assistance should frequently conducted.
- The first aid Officers must have been trained by the company doctor and must have the first aid license from the regional Manpower Agency (2.2.2).
- If the victim recovers their condition fast, the victim is recommended to work again.
- If the victim condition deteriorates, the victim should be brought to the company's clinic. The victim should be handled by the company doctor. The company doctor shall give recommendation.

The trained workers to handle the accident are the person in charge at mill and estate. For example:

- Semilar Estate: The latest first aid kit training was held on October 16<sup>th</sup> 2014. It was attended by 40 workers consisted of the field assistant and foreman.
- Mandang Estate: The latest first aid kit training was held on May 7<sup>th</sup> 2014. It was attended by 73 workers.

- Semilar POM: The first aid kit training was held on September 25<sup>th</sup> 2014. It was attended by 46 workers. And on February 5<sup>th</sup> 2014. It was attended by 11 workers.

The estate and mill management unit also provide first aid kit at the workplace. For example:

Management Unit	First Aid Kit	Mobile First Aid Kit
Semilar Estate	18	48
Mandang Estate	14	45
Semilar POM	7	-

The records of all work accidents are maintained and reviewed by the management unit regularly. For example:

- Semilar Estate: The record of the work accident is written on the recapitulation of the work accident which was composed by the OHS Guiding Committee Secretary and was recognized by the Head of OHS Guiding Committee. According to the report, there were 21 work accidents so far (until April 2015). The accident are mostly dominated by the light and medium accidents. For example the work accident experienced by the harvester on April 27<sup>th</sup> 2015 caused by the FFB.
- Mandang Estate: The record of the work accident is written on the recapitulation of the work accident which was composed May 5<sup>th</sup> 2015. There were 5 light work accident so far. For example, the work accident experienced by the harvester caused by the FFB on April 21<sup>st</sup> 2015.
- Semilar POM: The record of the work accident is written on the recapitulation of the work accident which was composed March 20<sup>th</sup> 2015. There was 1 light accident so far. For example, the work accident experienced by the mill workers caused by the road accident.

All the workers who experience work accident shall be medically treated and it is paid by the insurance. The work accident insurance used by the company now is Manpower BPJS insurance. The mill and estate management unit are able to show the record of Manpower BPJS payment. For example:

- Semilar Estate: The labour social assurance payment for April 2015 was paid on May 8<sup>th</sup> 2015 for 449 workers.
- Mandang Estate: The labour social assurance payment for April 2015 was paid on May 5<sup>th</sup> 2015 for 459 workers.
- Semilar POM: The labour social assurance payment for April 2015 was paid on May 12<sup>th</sup> 2015 for 164 workers.

All the injuries are recorded by the management unit by using Lost Time Accident (LTA) calculation based on the regulation of the Directorate General of Industrial Relation and Manpower number KEP.84/BW/1998. The LTA calculation is as follow:

- Semilar Estate: Lost Time Accident is calculated based on the decree of Directorate General of Industrial Relation and Manpower number KEP.84/BW/1998. The number of Frequency Rate on April 2015 was 23.46 and the Severity Rate on April 2015 was 84.47.
- Mandang Estate: Lost Time Accident is calculated based on the decree of Directorate General of Industrial Relation and Manpower number KEP.84/BW/1998. The number of Frequency Rate on April 2015 was 5.76 and the Severity Rate on April 2015 was 3831.54.
- Semilar POM: is calculated based on the decree of Directorate General of Industrial Relation and Manpower number KEP.84/BW/1998. The number of Frequency Rate on April 2015 was 1,367 and the Severity Rate on April 2015 was 10.93.

#### **Field Visit to POM:**

- The signboards are placed on the well seen spot.
- All the machines are covered with the protector.
- There are useless first aid kit at the equipments warehouse. The management unit is then incinerate the first aid kit based on the applied regulation and socialize it to all warehouse workers.
- The engine operator does not use ear muff when working. The management unit is then socializing the PPE usage and is punishing the operator.
- The first aid at the laboratory is not complete. The management unit then fulfil the content and monitor the first aid kit routinely.
- The boiler operator has had operator license and has participated on the regular medical check up (general and specific).
- The whell loader operator has had operator license and has participated on the regular medical check up (general and specific).
- The welding expert has achieved welding expert certificate and has participated on the regular medical check up (general

<p>and specific).</p> <ul style="list-style-type: none"> <li>The wheel loader operator is able to simulate the vehicle perfectly.</li> <li>The emergency response team is able to simulate the hydrant use in order to anticipate the fire.</li> </ul>		
	<b>Status: Comply</b>	
<b>4.8</b> <b>All staff, workers, smallholders and contract workers are appropriately trained.</b>		
<p>The management unit has program of formal training which cover all the aspects of RSPO P&amp;C. the program is composed based on the training need. For example:</p> <ul style="list-style-type: none"> <li>POM training program which cover the socialization of RSPO P&amp;C. the socialization was planned on March 2015 and it was realized on March 16<sup>th</sup> 2015. It was composed on February 9<sup>th</sup> 2015.</li> <li>Mandang Estate training program for period of January – December 2015. It was composed on January 4<sup>th</sup> 2015. It contains the RSPO socialization which was planned on February 2015 and was realized on February 2<sup>nd</sup> 2015.</li> </ul> <p>The records of the training for each employees are well documented and well maintained. For example:</p> <ul style="list-style-type: none"> <li>Leaf sampling training for unit on April 22<sup>nd</sup> 2015 to 45 workers in Semilar Estate.</li> <li>HCV training for 53 workers of Mandang Estate on March 24<sup>th</sup>- 25<sup>th</sup> 2015.</li> <li>Record of land fire simulation on October 13<sup>th</sup> 2014. It was attended by 52 workers in Semilar POM housing complex.</li> </ul>		
	<b>Status: Comply</b>	
<b>PRINCIPLE 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY</b>		
<b>5.1</b> <b>Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</b>		
<ul style="list-style-type: none"> <li>♣ The company does not change the operational scope, hectareage scop and mill scop. Therefore, the company still uses the EIA composed on 2006. The study area is hectareage is 9,300 hectare and the mill capacity is 90 ton of FFB/Hour for PT TN. The EIA of PT BAS was composed on 2005. The study area hectareage is ±14,300 hectare d the mill capacity is 90 ton of FFB/Hour.</li> <li>♣ The company has the record of the regular environmental management and monitoring plan reporting referring the document of environmental management and monitoring plan of PT. Tapan Nadenggan and PT. Buana Artha Sejahtera. The document covers the impacts of micro climat (temperature and humidity, gas and dust, noise, soil chemical and physical, river water quality, underground water quality, river water debit, the community's perception and behaviour, the community's restlessness and the community's health quality.</li> <li>♣ The company has record of the evidence of reporting to the associated agency. For example: <ul style="list-style-type: none"> <li>a. The result of implementation of PT TAPIAN NADENGGAN (SEMILAR) REGION Central Kalimantan 3 environmental management and monitoring plan in 1<sup>st</sup> semester of 2015. It has been sent on July 2015.</li> <li>b. The result of implementation of PT BUANA ARTHA SEJAHTERA environmental management and monitoring plan in 1<sup>st</sup> semester of 2015. It has been sent on July 2015.</li> </ul> </li> </ul> <p>According to the result of interview with Seruyan District Environment Agency, the company has reported environmental management and monitoring plan routinely (each quarter). All the mandatories on the EIA document have been complied and have been attached on the report.</p>		
	<b>Status: Comply</b>	
<b>5.2</b> <b>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.</b>		
<p>The management unit has HCV hectareage for 497.6 Ha. For example, Ruko Riparian for 18.74 Ha; Sei Rindu Riparian for 150.54 Ha; Mandang Estate Riparian for 20.09 Ha; Rungau Riparian for 158.52 Ha; and Biru Riparian for 149.71 Ha. The document of HCV identification for PT TN and PT BAS is composed by HCV internal team, Environment Department, PT. Smart Tbk. Researcher tem led by Norman F. Mustakim (Team Coordinator) who has gotten HCV Assesor approval. The identification was conducted on July 13<sup>th</sup> – 17<sup>th</sup> 2011.</p>		

The company has had plan over the HCV area management on 2015. It was composed by the environment PIC and was approved by the Estate Manager. There are several programs. For example, the boundary poles maintenance on March, June, September and December 2015; Internal HCV socialization on February 2015; the external HCV socialization on January 2015; HCV signboard maintenance on March, June, September, December 2015; Reforestation on March, June, September and December 2015; The woody plants maintenance on March, June, September and December 2015; HCV patrol on January to December 2015; HCV attribute monitoring on March June, September and December 2015 and so on.

Furthermore, it has also been realized on 2014. For example, weekly HCV patrol on January, February, April and May 2015 HCV socialization for all employees in Mandang Estate and February 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> 2015. The informed materials were the definition of HCV, conservation area in Rungau River, Sei River and MNAE Riparian, the government policy over HCV and endanger species protection and the company's policy over HCV, type of the endanger species within PT TN and BAS area under MNAE and socialization of HCV to the locals in Sumber Makmur Village on January 27<sup>th</sup> 2015 and February 7<sup>th</sup> 2015.

In order to monitor the composed management plan, the company has had the report of HCV management implementation. It is reported routinely (each semester). It was reported to the Seruyan Province Environment Agency (Central Kalimantan) on April 23<sup>rd</sup> 2015.

The management unit has educated their workers in term of the HCV area socialization to all estate and mill employees. For example, the socialization in pondok 1, 2 and 3 of semilar estate). It was taught by the Semilar Estate HCV PIC. The taught materials were the HCV area within Semilar Estate, the boundary of the spraying programs, the species of the endanger species, prohibition to hunt and the punishment as written on the statute number 5 year 1990 and Government Regulation number 7 year 1999. (Attendance list and photographs are available).

**Status: Comply**

### 5.3

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

The management unit shows the record of waste source identification as written on the environment aspect during period of January – June 2014. It has been approved by the estate and mill managers. The generated solid wastes are the shell, fiber, EFB and boiler ash. The effluent is used as organic liquid fertilizer (Land Application) once it is processed on the WWTP.

#### **Hazardous Waste Management**

The company has permit to store the hazardous waste referring the decree of East Kotawaringin District Environment Agency number 660/34/BLH-PP/IX/2012 dated September 21<sup>st</sup> 2012 for PT TN and the decree of East Kotawaringin District Environment Agency number 660/35/BLH-PP/IX/2012 dated September 21<sup>st</sup> 2012 for PT BAS. The decree is valid for 5 years.

The hazardous waste are delivered by PT Maju Asri Jaya (licensed collector) each quarter. The hazardous waste collector has had permit from the RI Environment Ministry in permit number B-5177/DepIV/LH/PDAL/05/2014. The permit is valid for 5 years (May 8<sup>th</sup> – May 8<sup>th</sup> 2019). There is a manifest of hazardous waste transport in manifest number 0025473 dated May 7<sup>th</sup> 2015 with the vehicle police number DA 9120 TJ. Furthermore, the collector has gotten the permit from the Transportation Ministry until July 13<sup>th</sup> 2015.

There is a report of hazardous waste management of PT Tapian Nadenggan in semilar Mill and semilar estate unit in 1<sup>st</sup> quarter of 2015. It has been informed to the Central Kalimantan Environment Agency on May 12<sup>th</sup> 2015 in receipt number 009/TN/EHSD-SMLE/04/2015 and to Seruyan District Environment Agency on April 29<sup>th</sup> 2015 in receipt number 009/TN/EHSD-SMLE/04/2015. Meanwhile the report of PT BAS hazardous waste management at the same period has been informed to the Seruyan District Environment Agency on April 29<sup>th</sup> 2015 in receipt number 007/BAS/EHSD/04/2015 and to Central Kalimantan Environment Agency on March 12<sup>th</sup> 2015 in receipt number 007/BAS/EHSD/04/2015.

#### **Domestic Waste Management**

According to the interview with the employees of Semilar Estate, the domestic waste is transported once a week and it is disposed to the landfill. The landfill is located more than 1 Km away from the settlement.

#### **Solid Waste Management**

The generated solid waste are in form of shell, fiber, EFB and boiler ash. The shell and fiber are used as boiler fuel and the EFB is used as organic fertilizer.

#### Effluent Management

The effluent is used as the organic fertilizer once it is processed on the WWTP to adjust the quality threshold. The effluent is regularly tested on the external laboratory and SMARTRI laboratory.

#### Medical Waste Management

The company is not able to show the evidence of the infectious waste incineration. The mentioned record is the record of infectious waste dispatch to the licensed incinerator facility. **NC Numner 2015.01 as Minor category.**

**Minor 5.3.3**      **Status: Nonconformity No. 2015.01**

#### 5.4

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

Efficiency of the fiber and shell usage for the renewable energy usage on Semilar Mill during period of 2015 is as follow:

Description	January 2015	February 2015	March 2015	April 2015
Processed FFB (Ton)	35,919.260	25,835.130	29,337.480	30,639.800
Fiber	4,489.908	3,229.391	3,667.185	3,829.975
Shell	2,065.357	1,485.520	1,686.905	1,761.789
Caloty (Fiber+ Shell Kcal)	29,478,709.133	21,202,727.525	24,077,083.983	25,145,889.757
Saving Solar (Liter)	350,169.00	282,084.00	299,600.00	312,900.00
Calory/ ton of FFB	820.69	820.82	820.69	820.69

According to the data of diesel fuel consumption in 2015, the company has retrenched diesel fuel, the company increased the use of fiber and shell as boiler fuel on 2015. There was a diesel fuel consumption increase on February 2015. However, the diesel fuel consumption was significantly reduced on March and April along with the increase of the processed FFB.

**Status: Comply**

#### 5.5

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

According to the document of SOP/IK of the palm oil plants cultivation technical, the SOP number SOP/SMART/MCAR/IV/TA-PLB in term of the new land clearing has been implemented since June 12<sup>th</sup> 2012. The objective of the SOP is to implement the zero burning principle referring the agronomy technique. The stage of the land clearing as written on the SOP are the blocking initiation, road construction, drainage construction, ex bush preparation (chemicals system), ex mineral secondary forest land preparation (limas, fell off, stacking, mechanical stacking, line chipping) and terrace construction (terrace contour, individual terrace).

According to the result of interview with the estate operational staff, the company does not burn the land when clearing the land. It is proven by the cooperative agreement letter which insist the contractor to clear the land mechanically. The palm oil plants in Mandang Estate which was planted on 2007, the land clearing is conducted mechanically (*excavator* and *bulldozer*) by involving PT Fortuna Farmino. The manual land clearing is conducted in Mandang Estate. 135.29 ha of land was cleared on 2007. The official record of the land clearing is available.

- Excavator perun construction in block M48, M49 and M54 for 15.15 ha for period of July 1<sup>st</sup> – 15<sup>th</sup> 2007.
- Excavator perun construction in block M46 and L53 for 3.64 ha for period of April 1<sup>st</sup> – 15<sup>th</sup> 2007.
- Excavator perun construction for 14.73 ha for period of April 16<sup>th</sup> – 30<sup>th</sup> 2007.
- Excavator perun construction for 20.844 ha for period of February 1<sup>st</sup> – 15<sup>th</sup> 2007.

The provided land fire emergency response equipments are:

#### Similar Estate

No.	Name of Emergency	Type of Emergency Response Equipments	SMLE Quantity	MNAE	SMLM



	Response Equipments				
1.	Fire Extinguisher	Powder	36	35	45
		CO <sup>2</sup>	-	-	7
		Foam	-	-	
2.	Water Tank	Tank	2	-	
		Water Pump	2	-	
		Hose	2	4	
3.	Temporary Fire Extinguishers	Knapsack	10	17	
		Fire club	18	25	
		Wetsack	22	34	7
		Sand drum and san	3	7	7
		Shovel	10	12	
		Machete	10	10	
		Sickles	19	29	7
		Bucket	-	14	
4	Alarm / Bells		4		
1.	Stretcher		1	-	
2.	First Aid Kit	Standar A	66		
		Standar B			
7.	Emplacement fire extinguishers	Fire extinguishers water tank	2	2	
		Water pump machine	2	2	
		Hydrant hose	2	2	
		Hydrant nozzle	2	2	
8.	Hydrant System				7

According to the interview with the operational staff, there was a fire on September 14<sup>th</sup> 2014 at 12.30 P.M in block M59 of Mandang Estate. The fire has been reported to the government (the Chief of Rungau Village, The Chief of Hanau Police Sector and the Head of Danau Seluluk Sub-District) referring the letter number 065/MNAE-POLSEK/IX/2014 dated September 14<sup>th</sup> 2014. The fire has been handled by 70 men of the the emergency response team of Mandang Estate, Semilar Estate and Tangar Estate.

The company has procedure of land fire handling (SOP/NP/SMART/XI/LH002). The procedure regulates the handling operational started by forming fire team, identifying fire, preparing land fire equipments. The estate and mill form land fire fire. The latest simulation was held on February 12<sup>th</sup> 2015 in the soccer field of pondok 3 and block L41 of Division VI. It was participated by all emergency response team of Mandang Estate members (105 people). Meanwhile the latest simulation was held on March 30<sup>th</sup> 2015 in soccer field of pondok 2 and block I61 of Division 4. It was participated by all emergency response team members of Semilar Estate (58 members).

According to the document review, there is no fire used on the land clearing. Furthermore, the company is not conducting replanting program yet since the oldest plantation was planted in 2005 (age 15 year); therefore it has not the time yet for replanting.

**Status: Comply**

## 5.6

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

The evidence of the GHG emission identification on the report of emission calculation using Palm GHG calculator for period of 2014 (report date on May 19<sup>th</sup> 2015). The report contains the emission source information (*emission source*) and emission abrosption (sinks) information as follows:

1. Estate emission source: land conversion (there is no land conversion during period of 2014-2015 in PT TN and PT Bas), fertilizer (mineral), manufacture, transport, N<sub>2</sub>O from fertilizer, Fuel consumption, peatland oxidation (there is no peatland area withi PT. TN and BAS).
2. Mill emission source: POME, petroleum fuel consumption, electricity consumption.

### 3. Emission source in KCP: Petroleum fuel, PK and other sources.

In general, the total of GHG emission generated by Semilar Mill during period of 2014 was 0.73 ton of CO<sub>2</sub>e per ton of CPO, The mill total emission during the same period was 62,167 ton CO<sub>2</sub>e. Meanwhile, the PT TN estate emission was 13,585 ton CO<sub>2</sub>e.

There is a plan of emission reduction and reforestation which covers the GHG reduction plan such as woody plants planting, pesticide usage reduction, organic fertilizer usage increase, petroleum fuel usage reduction, POME management, etc. the table of the action plan covers the future-conducted programs description as well as the objective, target and period.

The monitoring system has been well implemented by using the supporting data from the mill and estate operationals. There is an evidence of the GHG emission monitoring calculation in Semilar Mill.

The regular reporting in term of the significant progress of the emission and pollutant generated by the estate and mill production has been conducted. For example, the evidence of the PT TN GHG calculation reporting to RSPO Secretariate on May 19<sup>th</sup> 2015.

The report describes the used methodology based on the Palm GHG calculator version 2.010 on the basic data period on 2014. Conclusion of the GHG emission score based on the Palm GHG kalkulator, comments over the GHG implementation.

**Status: Comply**

## **PRINCIPLE 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLERS**

### **6.1**

**Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.**

According to the result of ASA-1 and ST-2 assessment, the company has analysed the social positive and negative impacts caused by estate operationals as written on:

1. Document of EIA (Environment Impact Assessment) and environmental management and monitoring plan which are collectively composed based on the result of participative identification of several parties (the locals and the local government nearby estate and mill).
  - a. PT Tapan Nadenggan (d/h PT Mitratama Abadi Makmur). It covers 9,300 ha and the mill capacity for 90 ton of FFB/hours dated January 18<sup>th</sup> 2006;
  - b. PT Buana Artha Sejahtera. It covers 14,300 ha and the mill capacity for 90 ton of FFB/hours dated January 23<sup>rd</sup> 2006.
2. Document of Social Impact Assessment on 2012 on behalf of PT Tapan Nadenggan and PT Buana Artha Sejahtera. The document analyze the estate social impact potential and attaches the sustainable social impacts monitoring.

There is an evidence of the community participation on the assessment process. For example, the attendance list with the locals on October 19<sup>th</sup> 2012, public consultation photographs documentation, minutes of meeting of the public consultation including the conclusion and recommendation.

Furthermore, it contains the impacts monitoring and management plan. As for the evidence of the social impact monitoring and management, there is a report of the social impact monitoring result of PT. TN and PT. BAS for period of 2014. The report covers the previous period social impacts management plan implementation.

According to the document observation, there is no specific changes over the estate operationals since the beginning of EIA compilation to the ASA-2 assessment. Therefore, there is no need of the changes on the environmental management and monitoring plan and EIA.

Despite there is no change on the business operationals changes, the company shall keep reviewing the social impact assessment document. It was composed on 2012. The review covers the CSR effectiveness evaluation and CSR monitoring, plan of impact management corrective action, identification on the stakeholders and the CSR recommendation.

PT. TN and PT. BAS do not have scheme smallholder nor cooperating with the smallholders until ASA-2 assessment. However, there is a plan for establishing scheme smallholders in Seabi and Banyu Biru Village for  $\pm$  2,282 hectare and 374 members. The planned area is still considered as forest area. Therefore, it is being processed (proposal of forest area lease from East Kotawaringin Regent to Central Kalimantan Governor).

**Status: Comply**

### 6.2

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

The SOP of communication and consultation with the *Stakeholder* on the document number SOP/SMART/UMUM/ SADV/II/004 dated July 1<sup>st</sup> 2014. The document describes the recommendation, description of each Officer, the work stage of the external and internal communication and consultation.

In general, the social issues are collectively managed by the manager of each estate as the person in charge with the supports of the legal and social team in Jakarta Head Office.

The list of the stakeholders for PT. TN and PT. BAS contains the information of position, address, telephone number and the name of the Officials. For example:

1. The list of stakeholders of PT. TN covers the head of sub-district forum (6 people), the chief of village and the village representatives (4 people), labour union (3 people), gender committee (3 people), local contractor (3 people), NGO (6 NGOs).
2. The list of stakeholders of PT. BAS covers the head of sub-district forum (7 people), the chief of village and the village representatives (8 people), labour union (2 people), gender committee (2 people), local contractor (3 people), dan NGO (6 NGOs).

The record of communication with the community is written on the formulir of complain and disgruntle handling. There is no complaint during period of 2015 in Semilar Estate and Mandang Estate. As for the supporting documents, there are:

- The incoming and outgoing letter as the evidence of the process of communication with the stakeholders as described on the principle 1. The outgoing letter is attached with the receipt stamp of the purposed parties.
- Official record and minute of meeting with the stakeholders. For example, the minutes of meeting of the village development forum in Serindu Village for period of 2015.

According to the result of public consultation with the Chief of Rungau Raya Village, the Chief of Pantab Village and the Chief of Biru Maju Village, the PT TN and PT BAS management unit has socialized the procedure of consultation with the community. According to the result of interview, the locals have aware of the procedure.

**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.**

The management unit does not have the record of dispute until ASA-2 assessment. PT BAS has the record of dispute with the community of Biru Maju Village in term of the APL land status. The resolution is referring the applied procedure on the document number SOP/SMART/SENS-CSCR/SADV/002 in term of social conflict handling and SOP number SOP/SPO/SMART/LH-04 in term of land conflict resolution.

The company is not solving the problem in court yet until ASA-2 assessment. The persuasive approach is being conducted. The government agencies also facilitate the resolution.

According to the document observation and interview with the management unit, the process of conflict resolution is running well and is well documented on:

- Record of the consultation with the local government such as East Kotawaringin Forestry Agency, Transmigration Agency, East Kotawaringin Congress, East Kotawaringin District Secretary, the local Sub-District Heads and etc. evidence of the consultation is available.
- Record of the meeting with the community representatives.
- Record of the multistakeholders meeting with the associated parties. It is facilitated by the Head of East Kotawaringin Police Sector. There are evidence of the official record of the multistakeholders assembly.

- Record of the consultation with the central government (Forestry Ministry and Transmigration Ministry) as for the follow up of the multistakeholders assembly

The procedure of the land conflict resolution determines that the resolution is conducted with the direct approach, mediation with the local government and/or in court. The resolution is conducted transparently with all the parties gently and effectively.

According to the result of public consultation with the Chief of Rungau Raya Village, the Chief of Pantab Village and the Chief of Biru Maju Village, the PT TN and PT BAS management unit has socialized the procedure of complaint and dispute resolution. According to the result of interview, the locals have aware of the procedure.

**Status: Comply**

### 6.4

**Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

The SOP in term of the compensation has been regulated on the SOP number SOP/NP/SAMRT/VII/D&L002 dated July 1<sup>st</sup> 2010. According to the point 6.1-6.10, the compensation is conducted by passing several procedures such as dialogue, consultation and the public dialogue with the associated parties including the village apparatus and figures. It is supported by additional SOP number SOP/SMART/SENS-CSR/SADV/1/003 in term of the FPIC implementation over the land compensation.

The SOP describes the stage of the compensation calculation started with the process of socialization, identification, negotiation until the land compensation payment and documentation of the land compensation. As for the evidence, there are records of the land compensation within PT. TN and PT. BAS area including the record of negotiation.

The process and the result of each agreement has been negotiated and the compensation demand has been well documented as shown by the record of identification process to the payment of compensation process.

According to the result of public consultation with the Chief of Rungau Raya Village, the Chief of Pantab Village and the Chief of Biru Maju Village, the PT TN and PT BAS management unit has socialized the procedure of land compensation. According to the result of interview, the locals have aware of the procedure.

**Status: Comply**

### 6.5

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

The estate and mill management unit determine the company's wage standard by referring the minimum wage standard determined by the government. The estate and mill management unit is able to show the list of employee's wage. According to the document review, there is no understandard wage. The minimum wage standard implemented by the company is IDR 2,110,500 (USD 162) based on the decree of Central Kalimantan Governor number 45 year 2014 dated November 6<sup>th</sup> 2014.

The collective labour agreement is composed in "Bahasa Indonesia" so the labour will be able to understand it. Each worker has the collective labour agreement copy. For example, the collective labour agreement number 148/TN-SMLE1/PKHL/IV/2015 dated March 26<sup>th</sup> 2015 for 21 workers. According to the contract, they shall be employed no longer than 20 days a month. The collective labour agreement is valid for 3 months since April 1<sup>st</sup> to June 30<sup>th</sup> 2015. The company offers wage based on the government standard. The contract is signed by the estate management and the labour and witnessed by RC KT 3.

The estate and mill management unit provide proper housing complex facilities, water, medical needs, Education etc. the management unit is able to show the document of the facilities for the workers. For example:

- The MNAE facilities. It consisted of 1 polyclinic, 3 mosques, electricity, water, 1 kindergarten, 1 elementary school, 3 daycares, 3 balls, 4 badminton, 1 tennis, 1 school bus, 15 staff house, 216 G2 type house, 20 G1 type house.
- The SMLE facilities. It consisted of 22 staff houses, 212 G2 type houses, 20 G1 type houses, 3 mosques, 1 church, 3 BPA, 4 ball, 5 volley, 1 tennis, 4 badminton, 1 Sportorium, 1 polyclinic, 1 kindergarten, 1 elementary school, 1 secondary school, 1 school bus, 1 learning center, 1 ambulance.
- The POM facilities. It consisted of 14 staff house, 86 G2 type houses, 8 G1 type houses, 1 mosque, employees hall, 1

soccer, 1 volley, 1 tennis, 1 badminton, 1 footvolley ball, 1 sportorium, 1 policlinic, 1 kindergarten, 1 elementary school, 1 secondary school.

The estate management unit allows the temporary market at the 2<sup>nd</sup> and 4<sup>th</sup> week. Furthermore, the estate management unit is also preparing the grocery shop for trading food. The mill management unit is able to show the attempt to monitor and improve the worker's access over the proper and affordable food. It is supported by the SMLM Manager in letter purposed to the branch management of East Kalimantan 3 number 002/SMLM-PRDM/02/2015 dated February 21<sup>st</sup> 2015 in term of the approval over the price increase of the rice box in SMLM canteen on 2015 by attaching the price tage of the rice box, the logistic commodities price recapitulation and recapitulation of the rent price and rice for mill canteen. The brance management has approved it.

According to the interview with the estate and mill workers, they have received the proper wage referring the minimum wage standard applied by the government. It is also supported by information in term of the minimum wage standard from the labour union. The labour union also informs that there is no industrial relation dispute occurred in PT TN BAS.

**Status: Comply**

### 6.6

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

The freedom for the employees to unit is written on the management circular number 169/HR OPS/08/10 (PT. Tapan Nadenggan) and circular number 020/HR PSM6/01/11 (PT. Buana Artha Sejahtera).

The labour union minutes of meeting are also well documented. For example:

- Minutes of meeting of Semilar Estate Labour Union assembly on April 3<sup>rd</sup> 2015. It discussed the holiday exchange. It was attended by 13 members.
- Labour union assembly at MNAE on May 4<sup>th</sup> 2015. It discussed the religious feast holiday exchange. It was attended by 11 worker's representatives.

According to the result of interview with the representatives of the estate and mill labour union, PT TN and PT BAS management unit respect the workers aspiration to unit. It is proven by the company's policy in term of the freedom to unite.

**Status: Comply**

### 6.7

**Children are not employed or exploited.**

The management unit has commitment to not employ the underage workers as required by the government regulation. According to the document review, there is no underage workers.

According to the result of interview and field visit to mill and estate, there is no underage workers within PT TN and PT BAS operational area.

**Status: Comply**

### 6.8

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

The estate and mill management unit has commitment to prohibit all kind of discrimination regarding race, caste, nationality, religion, disability, gender, sexual orientation, labour union membership, political affiliation or age. The commitment is written on the circular number 035/HR OPS/01/11 dated January 3<sup>rd</sup> 2011 from CEO 6 in term of the implementation of industrial relation. In order to keep the industrial relation good, there will be no discrimination within any operational unit.

The company has held socialization in term of the circular to the workers. For example:

- "Zero Discrimination" socialization to the Semilar Estate workers on March 10<sup>th</sup> 2015. It was attended by 132 workers.
- "Zero Discrimination" socialization to the Mandang Estate workers on February 10<sup>th</sup> 2014. It was attended by 437 workers.

The selection process, recruitment and promotion are based on the competence, skill, quality and medical check up as written



on the applied procedure.

**Status: Comply**

## 6.9

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

The management unit has policy to prevent all kind of sexual harassment. It was signed by the top management on August 1<sup>st</sup> 2011. For example:

- The sexual harassment is a verbal and physical action. It shall not be tolerated.
- The sexual harassment is prohibited and it could cause work contract termination.
- The victim and the complainant of the sexual harassment is protected by the company from those who wants to hurt them. Revenge is not allowed by the company.
- If anyone try to harm the sexual harassment complainant the company shall investigate the case and if the suspect is wrong the company shall warn the suspect and if it considered as harmful action, the suspect's contract shall be terminated.

The company held socialization over the policy implementation. It was attended by 171 women workers of PT. TN and PT. BAS on January 14<sup>th</sup> 2015.

Furthermore, the management unit also has circular number 068/HR OPS/01/11 dated January 3<sup>rd</sup> 2011 from CEO 6. The letter describe several policy to maintain sprayer's OHS. For example:

- The company prohibit the pregnant and breastfeeding women workers to work as sprayer.
- The sprayers who use agrochemicals has to participate on the regular medical check up.

I The company held socialization over the policy implementation. It was attended by 171 women workers of PT. TN and PT. BAS on January 14<sup>th</sup> 2015.

SOP of complaint is written on the SOP of complaint and disgruntle handling number SOP/SMART/SIGS-CSR/SADV/II/003 dated July 1<sup>st</sup> 2014. The complaint and disgruntle receipt are described on the SOP.

"The head of administration receive the incoming letter (complaint and disgruntle) from the labour union, if there is no labour union, the letter can directly given by the employees. The company shall assure the ID of the complainant as a secret. The data of the incoming aspiration is written on the form of complaints and disgruntle recording (F/SMART/SIGS-CSR/SADV/003/001).

**Status: Comply**

## 6.10

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

According to the result of document observation and interview with the mill and estate operational staff, the company does not buy FFB from the third party. Hence, there is no pricing procedure informed to the FFB supplier.

In order to ensure the cooperation between the company and the contractor, there is an FFB transport contract number 003/MNAE/LKL/III/15/ATBS on behalf of the company and represented by Mandang Estate Manager with hasan basri (FFB transport contractor) for transporting FFB in division VI. The terms and agreement are clearly written on the contract. The contract is constituted by 10 clauses including payment system. The contract has been aware and agreed and signed by both parties.

According to the interview with the local contractor (see indicator 6.10.3), the payment is paid on time so far. The payment is conducted in date 10<sup>th</sup> on each month based on the clause 3. According to the document observation, there was a giro bilyet payment on May 6<sup>th</sup> 2015 for the job on April 2015. Hence, the company has complied the contract.

**Status: Comply**

## 6.11

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

The company has contribution over the development. For example:

1. The involvement of the local contractor and local business for several project such as FFB transport, road construction and small scale construction. The evidence are as follows:
  - Contract and evidence of the contractor payment (FFB transport and road repairmen/maintenance) in Mandang

Estate with contract value for IDR 1,435,865,140 (USD 110,451) for period of 2014.

- Contract and evidence of the contractor payment (FFB transport) in Semilar Estate with contract value for IDR 1,187,495,029 (USD 91,345) for period of 2014.
- 2. The evidence of the tax and retribution payment referring the applied regulation. For example:
  - Vehicle Tax for period of 2014 and 2015. Vehicle tax in Mandang Estate was IDR 255,647,608 (USD 19,665) during period of 2014. The vehicle tax during period of 2015 is IDR 194,276,502 (USD 14,944).
  - Property tax payment (PBB) for period of 2014. For example, the property tax of PT. TN during period of 2014 was IDR 2,219,580,735 (USD 170,736), it was paid on October 28<sup>th</sup> 2014. The property tax of PT. BAS PBB during period of 2014 was IDR 380,036,524 (USD 29,233). It was paid on October 2014.
  - The water retribution for the mill operations referring the district regulation of Seruyan District. The water retribution payment during period of 2014 was IDR 128,959,980 (IDR 9,919). The water retribution payment during period of 2015 is IDR 66,631,000 (USD 5,125).
- 3. The CSR fund distribution to the community in form of the direct assistant are as follow:
  - Mandang Estate, the electricity grid assistance, mosque construction and religious feast fund assistance for IDR 177,950,000 (USD 13,688) during period of 2015.
  - Mandang Estate, the religious feast assistance and place of worship maintenance assistance for IDR 20,516,000 (USD 1,578) during period of 2014.
  - Semilar Estate, the electricity grid assistance, the teacher's honorarium assistance, the religious feast assistance, etc for IDR 181,950,757 (USD 13,996) during period of 2015.
  - Semilar Estate, the road construction assistance, the teacher's honorarium assistance, the religious feast assistance and place of worship assistance for IDR 459,098,610 (USD 35,315) during period of 2014.
- 4. The absorption over the local workforce as shown by the data.
- 5. The company's involvement on the village development planning as shown by the company's participation on the Village Development Forum on 2015 in Rungau Raya Village.

PT. TN and PT. BAS do not have the scheme smallholders scheme or cooperating with the smallholder until ASA-2 assessment. However, the scheme smallholder establishment plan is being processed in Sebabi and Banyu Biru Village. The planned scheme smallholder's hectare is  $\pm$  2,282 hectare.

According to the interview with the Chief of Rungau Village, the Chief of Pantab Village and the Chief of Biru Maju Village, PT TN and PT BAS management unit has distributed CD/CSR assistance like electricity grid installation, scholarship, free medical service, sewing training, etc.

**Status: Comply**

#### 6.12

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

According to the document review in form of the employees list and the interview with the workers, the estate and mill management does not employ foreign workers.

**Status: Comply**

#### 6.13

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

The estate and mill management unit has commitment to respect the human rights. The commitment is written on the social policy and the community benefit dated November 10<sup>th</sup> 2011. It has also been signed by the President Director. For example:

- Respect over the human rights,
- Admitting, respecting and strengthening the workers rights, etc.

**Status: Comply**

### **PRINCIPLE 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS**

#### 7.1

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

There is no new development after the latest audit (Surveillance 1).

**Status: Comply**

<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>	
	There is no new development after the latest audit (Surveillance 1).	
	<b>Status: Comply</b>	
<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>	
	There is no new development after the latest audit (Surveillance 1). The estate has been developed since 1998 in Mandang Estate and the latest development has been conducted in Mandang Estate on 2011. It is proven by the area statement shown by the company. The location permit was issued on 1995 and the Land Use Title (HGU) was issued on 2005. By the issuance of Land Use Title (HGU) then the area of PT TN is no longer included on the forest area.	
	<b>Status: Comply</b>	
<b>7.4</b>	<b>Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.</b>	
	There is no new development after the latest audit (Surveillance 1).	
	<b>Status: Comply</b>	
<b>7.5</b>	<b>No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</b>	
	According to the verification and information from the chief of village and the community figure during the previous audit, there is no customary land within the company operational area.	
	Those land (for estate) have been compensated. It was conducted voluntarily. The uncompensated land within location permit until the ASA-2 assessment is 85.6 hectare in Serindu and Puri Estate.	
	In order to ensure the progress of FPIC and to avoid social negative impacts, PT Tapan Nadenggan has analysed the social impacts since 2011 and it has just been finished on 2012. The document review involves the community of Pantab Village and Rungau Jaya Village. The inventory of social impact caused by the estate operations analyze the positive and negative impacts.	
	The company has had several cooperation programs with the <i>Amius Curiae</i> . For example:	
	<ul style="list-style-type: none"> <li>– Scheme smallholder for Pantap Hamlet, Tangar Village, Mantaya Hulu Sub-District. The socialization of scheme smallholders to the villagers is involving the Head of Mantaya Hulu Sub-District, the Chief of Tangar Village, the community figure, the Regional Controller Smart and the Sub-District Military Commander. Basically, the locals want to play a role at the scheme smallholder programs and they have aware of the success factor of the program are influenced by the funding and the creditor. The meeting was held on February 2<sup>nd</sup> 2012.</li> <li>– Well digging in Pantap Village and Tangar Village.</li> <li>– Socialization and counselling of health conducted by the estate doctor to Pantap and Tangar Village.</li> </ul>	
	<b>Status: Comply</b>	
<b>7.6</b>	<b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
	As like previous assessment (ASA-1), the estate are of PT. TN and PT. BAS were constituted by a government forest and the community private land. There is no customary land within the estate area.	
	The land used as estate is an ex forest area that the lease permit is being processed. The company respect the community who disagree the compensation offered by the company for the land. The uncompensated land within location permit until the ASA-2 assessment is 85.6 hectare in Serindu and Puri Estate.	

There is an evidence of identification and compensation payment over the loss of the traditional right of the land. It is recorded on the land compensation recapitulation. The identification of the compensated parties has been well shown on the documentation of land compensation.

The *Amius Curiae* are involved on the estate operations so they could get the benefit of the estate development. For example:

- The local contractor involvement as the FFB transport contractor, road construction contractor, etc (Indicator 6.11)
- The CSR fund for the village infrastructure and programs (Indicator 6.11)
- The locals are recruited to work at the company (Indicator 6.11)
- The plan of the scheme smallholder establishment for the locals.

The record of the compensation process and claim result is documented and is opened for public as written on the indicator in term of compensation (7.6.2 and 7.6.3) and in term of land claim resolution (2.2.3).

**Status: Comply**

### 7.7

**No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

There is no new development after the latest audit (Surveillance 1).

**Status: Comply**

### 7.8

**New plantation developments are designed to minimise net greenhouse gas emissions.**

There is no new development after the latest audit (Surveillance 1).

**Status: Comply**

## PRINCIPLE 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREAS OF ACTIVITY

### 8.1

**Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.**

The management unit of PT. TN and PT. BAS has garbage management program. It is called the garbage bank. It is recommended by the government. The pilot program is implemented on the Mandang Estate, the employees are able to separate the organic and non-organic waste sent from the housing complex. The non-organic waste shall then collected to be then sold to the collector. The organic waste is processed to be compost.

- **Environment Aspect:** PT. TN and PT. BAS management unit has waste management program. The waste management program is a garbage bank program. The program is executed in Mandang Estate. The employees have separated the organic and non-organic waste started from the housing complex. The non-organic waste are collected to the collecting point to be then sold to the waste collector. The organic waste is then processed to be compost.
- **Production Aspect:** The management unit also conducted routine internal audit to ensure the procedure implementation consistency on the company's operations. The internal audit conducted by OIA is conducted routinely (each semester). The result of internal audit shall be evaluation reference for the top management to assess the unit head performance including the unit head's units. The result of internal audit can also be an evaluation for the unit head and the unit head's unit to improve their performance. The records of the internal audit are documented on each unit. For example:
  1. Mandang Estate; there was an internal audit on August 12<sup>th</sup> – 19<sup>th</sup> 2014 (audit report Number 34/VI-MNAE/14).
  2. Semilar Estate; there was an internal audit on August 28<sup>th</sup> – September 4<sup>th</sup> 2014 (audit report Number 37/VI-SMLE/14).
  3. Semilar Mill; there is an audit result of the audit which was conducted on February 2<sup>nd</sup> – 7<sup>th</sup> 2015 in 1<sup>st</sup> semester of 2015.
- **Social Aspect:** The management unit gives *ad infinitum* social assistance in form of the CD and CSR to the nearby villages.

**Status: Comply**

**3.2. Summary of Assessment Report of Supply Chain Requirement**

Clause	(Module D) CPO Mills – Segregation Requirements
<b>D.1</b>	<b>Definition</b>
<b>D.1.1 A mill that is considered Identify Preserved (IP) if FFB is use by the Mill which was taken from own supply certified to principle and criteria of RSPO (P&amp;C RSPO). CPO Mill certification needed to verify the volume FFB and not entrance to the Mill, the application of any control processing (ex: when segregation used) and sales volume producer certified RSPO. Mill maybe receive transfers from not certified growers, besides from their certified own land. If mill certified process FFB and not certified without separating the material, only applicable modul E.</b>	
<p>During the previous assessment (ST-2 dan ASA-1) the company implements MB supply chain due to the mix of the certified and non-certified FFB.</p> <p>The company starts to implement IP supply chain on the period of ASA-2. The evidence is shown as follows:</p> <ol style="list-style-type: none"> <li>1. The policy to implement IP supply chain on the declaration of Central Kalimantan PC 2 on May 21<sup>st</sup> 2015.</li> <li>2. The list of FFB suppliers which shows that the suppliers have been certified (RSPO-Certified).</li> <li>3. The data of FFB supply to Semilar POM in last 6 months (receive only the certified FFB).</li> </ol>	
	<b>Status: Comply</b>
<b>D.2</b>	<b>Explanation</b>
<b>D.2.1 Estimation CPO and PK tonase product is produced by Certified Mill it must noted by CB in a summary report certification. Figures represent total volume product certified (CPO &amp; PK) money Mill certified. Actual tonnase to bo noted in a report annual surveillance.</b>	
<p>The estimation of the generated CPO and PK product tonnage has been recorded by the CB on the ASA-1 assessment report. It has also been attached on the issued RSPO certificate. The actual tonnage production of the certified CPO and PK has been recorded on the report of surveillance annually. The estimation of CPO production for period of ASA-1 was 117,643.23 ton of CPO and 23,754.88 ton of PK.</p> <p>The actual tonnage is recorded on the annual monitoring report. During ASA-2 assessment, Semilar Mill produced 84,605 ton of CPo and 18,810 tone of PK.</p>	
	<b>Status: Comply</b>
<b>D.2.2 The facility must comply all registrations and requirements of the reporting for the supply chain via the RSPO supply chain managing organization (RSPO IT platform or book and claim).</b>	
<p>The company has complied all the reporting request and registration shown by the update account Semilar Palm Oil Mill on RSPO IT Platform in account: RSPO__01000001156, license: CB13281 with the expiry date for period of ASA-1 in July 21<sup>st</sup> 2015.</p>	
	<b>Status: Comply</b>
<b>D.3</b>	<b>Documented Procedure</b>
<b>D.3.1 The facility 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> <ol style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all the elements in these requirements.</li> <li>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 facilities procedures for the implementation of this standard.</li> </ol>	
<p>Semilar Mill POM - PT Tapan Nadenggan has had procedure and technical guideline to ensure all elements associated with supply chain requirements implementation. For example:</p> <ol style="list-style-type: none"> <li>1. SOP of the certified product identification and traceability within Sinar Mas Group in document code number SOP/SMART/CERS-EHSD/SADV/II/001 Revision on 2014.</li> <li>2. Guideline of RSPO IP model supply chain product in document number TN – SMLM – SCCS/SOP/01 dated April 1<sup>st</sup> 2015. The SOP describes the procedure and the person in charge of the IP supply chain system implementation.</li> </ol>	



3. SOP of the RSPO-Certified Product in document number TN-SMLM-SCCS/SOP/02
4. The Officers in charge of the implementation are:
  - The security Officers who responsible to check the FFB covering letter and the incoming raw material.
  - The weighbridge clerk who responsible to check the FFB documents, to weight the FFB and to ensure the raw material sent from the certified estate.
  - Grading foreman who responsible to ensure the FFB grading referring the FFB criteria.
  - Dispatch operator who responsible to monitor and record the production and the stock at the storage tank.
  - Laboratory analyst who responsible to check the product quality.
  - Production clerk who responsible to collect the FFB receipt data, production data, stock, daily/monthly/annual product dispatch.
  - The mill assistant who responsible to ensure the attribute of supply chain, grading monitoring and to ensure all employees do their job.
  - The head of administration who responsible to calculate the quarter-based product, to record and to report the product quality and quantity routinely as well as to monitor the equipments used on the supply chain.
  - The head of mill who responsible over the SSCS IP standard, ensuring the proper quarter-based calculation, informing the supply chain and responsible over the certification standard implementation.

**Status: Comply**

#### **D.3.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.**

Semilar Mill - PT Tapan Nadenggan has had the documented procedure to receive and process the certified and the non-certified FFB written on:

1. SOP of the certified product identification and traceability within Sinar Mas Group in document code number SOP/SMART/CERS-EHSD/SADV/II/001 Revision on 2014.
2. Guideline of RSPO IP model supply chain product in document number TN – SMLM – SCCS/SOP/01 dated April 1<sup>st</sup> 2015. The SOP describes the procedure of the IP supply chain system implementation. It is written on the point 6.1 in term of raw materials, in point 6.1 in term of weighing, in point 6.3 in term of the processing

**Status: Comply**

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

##### **D.4.1 The facility shall verify and document the volumes of certified and non-certified FFBs received.**

The company has verified and documented the certified and non-certified FFB referring the applied SOP. For example:

- a. The list of the certified suppliers such as Semilar Estate, Sei Rindu Estate, Mandang Estate, Puri Estate, Tangar Estate and Bukit Tiga Estate.
- b. The FFB covering letter supported with the FFB source information.
- c. The weighbridge ticket supported with the print of the “certified product” referring the estate suppliers.
- d. Computer program application in the weighbridge which controls the FFB receipt only from the certified suppliers.
- e. The document of the recapitulation of the RSPO and non-RSPO certified production which are monthly updated as shown on the last 6 months recapitulation.

**Status: Comply**

##### **D.4.2 The facility shall inform the CB immediately if there is a projected overproduction.**

The estimation of the generated CPO and PK product tonnage has been recorded by the CB on the ASA-1 assessment report. It has also been attached on the issued RSPO certificate. The actual tonnage production of the certified CPO and PK has been recorded on the report of surveillance annually. The estimation of CPO production for period of ASA-1 was 117,643.23 ton of CPO and 23,754.88 ton of PK.

The actual tonnage is recorded on the annual monitoring report. During ASA-2 assessment, Semilar Mill produced 84,605 ton of CPO and 18,810 tone of PK. There is no overproduction. Therefore, the reporting is not needed.

	Status: Comply				
D.5	Record keeping				
D.5.1 The facility must record and balance all RSPO-Certified FFB receipt and all the dispatch of the RSPO-Certified CPO, KPO and Kernel in quarter-based report.					
There is a document which shows the balancing of all RSPO-Certified FFB receipt in a quarter based report based on the daily and monthly monitoring. The recapitulation and the balancing on the CPO and PK certified production is as follow:					
Period	Processed FFB	Certified CPO Production		Certified Product Dispatch	
		CPO	PK	CPO	PK
June – Aug 2014	103,233,450	26,354,957	5,335,153	-	-
Sept – Nov 2014	88,862,480	22,275,060	4,935,559	-	-
Dec 2014 – Feb 2015	25,835,130	25,343,828	5,335,153	-	-
All the records and reports have been composed and maintained by the company. It consisted of the softcopy document (System Application Program) and the hardcopy document (FFB covering letter, weighbridge ticket, delivery order). Those are maintained on POM. The retention time of the document is 5 years.					
	Status: Comply				
D.6	Processing				
6.1 The facility must ensure and verify the RSPO-Certified records procedure and maintenance to be maintained separately from the non-certified ingredient during the transportation and maintenance.					
The company does not have production facilities to separate the certified and non-certified FFB. However, the company has implemented IP model as shown by the declaration of the Central Kalimantan Region PC 3 on May 21 <sup>st</sup> 2014 in term of the RSPO supply chain system at Semilar Mill.					
	Status: Comply				
6.2 The 100% separated ingredient target has been accomplished.					
The mill has implemented 100% certified raw materials as shown by:					
1. The policy to implement IP supply chain system by receiving FFB only from the certified sources.					
2. The production report in last six months (all the received FFB are certified).					
3. The implementation of the computerized weighing system in order to prevent the uncertified FFB contamination.					
	Status: Comply				

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

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

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

<b>The Management Unit name, under subsidiaries:</b> Jakluay Mill (PT Tapan Nadenggan, Kalimantan Timur) supply base: Jakluay Estate (JLYE), Pantun Mas Estate (PMSE), Bukit subur Estate (BSRE), and Long Buluh Estate (LBLE).		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
	<p>The company has had procedure to evaluate the compliance over law and regulation in term of the estate management via SOP of regulation and other terms (SOP / SPO / SMART / LH-03). It was issued by EHSD (Enviroment Health and Safety Departement) on July 1<sup>st</sup> 2010. According to the SOP the relevant statutes are identified and verified routinely (each semester).</p> <p>SK. HGB JLYM: 164-520.2-44.9-2008 PT Tapan Nadenggan; 10.29 ha Building Use Title (HGB) Certificate on JLYM No. 01 year 2008.</p> <p>Plantation Business Permit for Processing on JLYM: Decree of East Kutai Regent number 500/675/Eko.2-VIII/2009 PT Tapan Nadenggan: 80 ton/hour.</p> <p>SK.HGU LBLE, JLYE, PMSE: No. 128/HGU/BPN RI/2009: PT Tapan Nadenggan: 11,503.48 ha. Land Use Title (HGU) Certificate No. 68,69,70,71, &amp; 72 Tahun 2009.</p> <p>Plantation Business Permit of LBLE, JLYE, PMSE: Decree of East Kutai Regent number 188.4.45/160/Eko.1-X/2012 PT Tapan Nadenggan: 11.703 ha.</p> <p>BSRE Location Permit: No. 525.26/K.269/HK/V/2011: PT Tapan Nadenggan: 6,683 ha. No. 525.26/K.113/HK/II/2013: PT Tapan Nadenggan: 6,683 ha. No. 525.26/K.452/HK/V/2014: PT Tapan Nadenggan: 6,683 ha.</p> <p>Plantation Business Permit: Decree of East Kutai Regent number 188.4.45/121/Eko.1-XII/2011 PT Tapan Nadenggan: 6,683 ha.</p> <p>LBLE Location Permit: No: 525.26/K.552/HK/VIII-2011: PT Tapan Nadenggan: 560 ha. No: 525.26/K.878/HK/XII-2012: PT Tapan Nadenggan: 560 ha. No. 525.26/K.451/HK/V/2014: PT Tapan Nadenggan: 560 ha.</p> <p>Plantation Business Permit: Decree of East Kutai Regent number 525.26/K.552/HK/VIII/2011 PT Tapan Nadenggan: 560 ha.</p> <p>Land Use Title (HGU) of LBLE dan PMSE: on progress.</p>	√
	<b>Status: Comply</b>	
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	
	<p>HGU LBLE, JLYE, PMSE: SK.No. 128/HGU/BPN RI/2009: PT Tapan Nadenggan : 11,503.48 ha. Land Use Title (HGU) certificate Number 68,69,70,71, &amp; 72 year 2009.</p>	√
	<b>Status: Comply</b>	
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</b>	
	<p>PT. TN has SOP -IK Palm Oil Plants Technical Cultivation, policy of SCEP (Sosial And Community Engagement Policy) , the company has SOP of complaint and disgruntle handling (grievence) for internal and external (SOP / NP / SMART / XII / MCAR001) dated July 1<sup>st</sup> 2010. It will be socialized to the stakeholders on November 5<sup>th</sup> 2015. PT TN also has procedure to solve the land conflict in document number SOP / SPO / SMART / LH-04 dated July 1<sup>st</sup> 2010. It was legalized by the central management, Division of Environtment &amp; Sustainability Division.</p>	√
	<b>Status: Comply</b>	
<b>6.4</b>	<b>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.</b>	
	<p>PT. TN has SOP -IK Palm Oil Plants Technical Cultivation, policy of SCEP (Sosial And Community Engagement Policy) , the company has SOP of complaint and disgruntle handling (grievence) for</p>	√

	internal and external (SOP / NP / SMART / XII / MCAR001) dated July 1 <sup>st</sup> 2010. It will be socialized to the stakeholders on November 5 <sup>th</sup> 2015. PT TN also has procedure to solve the land conflict in document number SOP / SPO / SMART / LH-04 dated July 1 <sup>st</sup> 2010. It was legalized by the central management, Division of Environment & Sustainability Division.	
	<b>Status: Comply</b>	
<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>	
	HCV identification has been conducted: Bukit Subur Est, Bukit Subur KKPA, Pantun Mas KKPA: July 23 <sup>rd</sup> – 28 <sup>th</sup> 2010. Jakluay Est, Pantun Mas Est: August 20 <sup>th</sup> – 24 <sup>th</sup> 2011. Long Buluh ESt, Jakluay KKPA: February 10 <sup>th</sup> – 15 <sup>th</sup> 2012. The NPP assessment has been conducted by PT. Mutuagung Lestari on August 19 <sup>th</sup> 2013.	√
	<b>Status: Comply</b>	
<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>	
	NPP verification has took place by Mutuagung Lestari and uploaded on RSPO website 6 June 2014.	√
	<b>Status: Comply</b>	
<b>7.6</b>	<b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
	The company has land compensation procedure in SOP / NP / SMART / VII / D & L 002 dated July 1 <sup>st</sup> 2010. The SOP describes the tasks and responsibilities, stages of the socialization process, identification, negotiation, land compensation payment and documentation of the land compensation payment. The SOP describes the compensation process based on the agreement, consultation and dialogue by involving the community officials and the regional government.	
	<b>Status: Comply</b>	



### 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 *Surveillance-01* Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closed Date
-	-	-	-	-	-	-	-	-	-

#### 3.5.2 Finding Identification, Corrective Action and Observation during *Surveillance-02* Assessment

NCR No	Ref Std	Finding	Area	Grade	Deadline	Corrective Action	Observation	Status	Closed Date
2015.1	5.3.3	<b>Infectious waste management</b> The company is not able to show the evidence of the infectious waste dispose (the waste is not yet incinerated) by referring the applied regulation. For example: - Record of infectious waste to the licensed third party. - Cooperative agreement letter with the licensed third party.	PT TN	Minor	Surveillance 3	The management unit must be able to show the evidence of the infectious waste incineration.	<b>Root Cause:</b> <i>(filled by auditee)</i>  <b>Corrective Action:</b> <i>(filled by auditee)</i>  <b>Preventive Action:</b> <i>(filled by auditee)</i>	Open	

#### 3.5.3 Opportunity for Improvement during *Surveillance-02* Assessment

No	Ref Std	Descriptions
1.	Major 2.2.1	The management unit need to be more active to ensure the land conversion and Land Use Title (HGU) process (Observation).

2	<b>Major 4.1.1</b>	The Semilar POM management unit needs to ensure the process of sampling of FFB grading stick to the standard despite the loading ramp is being repaired (observation).
3.	<b>Minor 4.6.4</b>	The management unit of PT. TN and PT. BAS has opportunity to replace the class 1A WHO rodenticide with the non class 1A or 1B WHO one.
4.	<b>Major 4.7.1</b>	The Semilar POM management unit needs to ensure the consistency of the regular medical check up program (annually) by referring the applied regulation (Observation).
5.	<b>4.7.3 Major</b>	The management unit of PT. TN and PT. BAS has opportunity to revise the form number F/SMART/HESS-EHSD/SADV/010/020 in term of the PPE handover official record. According to the form, the PPE damage should be replaced by the workers. However, according to the statute number 1 year 1970 on clause 14, the company has obligation to provide the PPE at no cost.
6	<b>Minor 4.7.6</b>	The management unit of PT. TN and PT. BAS is encouraged to consult with the Manpower BPJS in term fo the work accident insurance for the temporary daily labour.

#### 3.5.4 Noteworthy Positive Components during *Surveillance-02* Assessment

No	Ref Std	Descriptions
1		The company has commitment to implement the sustainable estate management.
2		The company has competent personnel.
3		The company has conducted ISCC certification.
4		The company has Garbage Bank program referring the government's recommendation.

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

<b>Implementation : Tuesday, May 19<sup>th</sup> 2014 (interview)</b>		
<b>Issues from Public</b>	<b>Management Response</b>	<b>Auditor Response</b>
<b>Seruyan District Environment Agency</b> <ul style="list-style-type: none"> <li>There is no environment contamination issue in PT. TN and PT. BAS;</li> <li>Semilar POM has achieved the effluent utilization permit for land application program;</li> <li>PT. TN and PT. BAS has achieved hazardous waste storage;</li> <li>PT. TN and PT. BAS has achieved environment permit;</li> <li>PT. TN and PT. BAS report the hazardous waste management routinely (each quarter);</li> <li>PT. TN and PT. BAS report the environmental management and monitoring plan routinely (each semester);</li> <li>PT. TN and PT. BAS report the effluent routinely (each quarter).</li> </ul>	<p>The company shall maintain the good performance such as routine reporting of environment and the company shall improve the environment preservation.</p>	<p>The management unit has sent the report of environment and has managed the environment aspect perfectly. It complies the criteria 1.1, 1.2 including principle 5 in term of the environment responsibility.</p>
<b>Seruyan District National Land Agency</b> <ul style="list-style-type: none"> <li>There is no land dispute issue in PT. TN and PT. BAS.</li> <li>PT. BAS does not have Land Use Title (HGU) yet;</li> <li>PT. BAS is processing the forest area exchange now;</li> </ul>	<p>The company has determined the regulation referring the relevant statute and law. However, the company is still conducting forest area exchange for PT BAS area.</p>	<p>The management unit always implement the relevant law and regulation and the company is expected to improve the compliance. It complies the criteria 2.1, 2.2 and 2.3.</p>
<b>Seruyan Plantation and Forestry Agency</b> <ul style="list-style-type: none"> <li>PT. TN and PT. BAS has reported the plantation business development routinely (each semester);</li> <li>There is no land dispute issue within PT. TN dan PT. BAS area;</li> <li>PT. TN and PT. BAS has achieved plantation business permit (IUP);</li> </ul>	<p>The request of PT TN plantation business permit revision which is informed to the Seruyan District Forest and Plantation Agency is the plantation business permit of PT. Tapan Nadenggan Region KT-1.</p>	<p>The management unit always implement the relevant law and regulation and the company is expected to improve the compliance. It complies the criteria 2.1, 2.2 and 2.3.</p>

Implementation : Tuesday, May 19 <sup>th</sup> 2014 (interview)		
Issues from Public	Management Response	Auditor Response
<ul style="list-style-type: none"> <li>PT. TN and PT. BAS conducts CSR program routinely.</li> <li>PT. TN is proposing the plantation business permit revision to the integrated plantation business permit;</li> <li>PT. BAS does not have Land Use Title (HGU) yet;</li> <li>PT. BAS area is located on the forest area;</li> <li>PT. BAS is processing the forest area exchange now;</li> </ul>	<p>PT. BAS is not achieving Land Use Title (HGU) due to the regional government regulation refusal by the Forestry Ministry number 8 year 2003 in term of the spatial plan of Central Kalimantan by the Forestry Ministry. The forest area exchange is now referring the Governmen Regulation number 60 year 2012. PT BAS has processed and has achieved the location in Katingan District and PT BAS has achieved the recommendation from the Seruyan Regent which is informed to the Central Kalimantan Governor. The Central Kalimantan Province secretary has conducted survey on the Katingan District. However, the result is not yet issued by the Central Kalimantan Governor.</p>	
<p><b>Seruyan District Manpower Agency</b></p> <ul style="list-style-type: none"> <li>PT. TN and PT. BAS have paid their workers based on the minimum wage standard;</li> <li>PT. TN and PT. BAS has had OHS Guiding Committee organization structure;</li> <li>PT. TN and PT. BAS have never been reported the work accident;</li> <li>There is no industrial dispute issue in PT. TN and PT. BAS</li> </ul> <p>PT. TN and PT. BAS report the OHS Guiding Committee report routinely (each quarter).</p>	<p>PT TN and PT BAS has reported the work accident to the Seruyan District Manpower Agency and BPJS. The accident reporting is conducted routinely (each quarter). It is written on the quarter-based report of OHS Guiding Committee. The accident reporting to BPJS is also conducted by the company in form of KK2 1x24 hours to claim the BPJS insurance.</p> <p>According to the policy, PT TN and PT BAS determine that the promotion to permanent employees is only for the employees whose the oldest age is 35 years old. The 35 years old employees who just got in shall be considered as temporary labour.</p>	<p>The company always implement OHSMS referring the applied regulation. The company is expected to increase the performance on the OHSMS implementation and the worker's welfare.</p>

Implementation : Tuesday, May 19 <sup>th</sup> 2014 (interview)		
Issues from Public	Management Response	Auditor Response
<b>The Chief of Rungau Raya Village</b> <ul style="list-style-type: none"> <li>The locals welfare is gradually increase since the existence of the estate.</li> <li>There was a socialization in term of the procedure of consultation with the locals.</li> <li>The locals have aware of the conservation are including the endanger species as well as the prohibition and sanction for hunting it.</li> <li>The company has given CD and CSR assistance for the locals such as electricity grid, scholarship, etc.</li> <li>There is no conserved community's land.</li> <li>There is no land conflict in Rungau Jaya Village.</li> <li>The community got equal job opportunity and there is no discrimination.</li> <li>There is no environment contamination issue.</li> </ul>	<p>The company shall improve the relation with the locals.</p>	<p>The management unit is encouraged to cooperate with the locals so the locals could think the advantage of the estate. It complies the principles 6.</p>
<b>The Chief of Pantab Village</b> <ul style="list-style-type: none"> <li>The locals have received CD/CSR assistance such as bazaar assistance, free medical check up, hevly equipment assistance, teacher staff support, etc.</li> <li>There is no environment contamination issue.</li> <li>There is no land conflict issue so far.</li> <li>There is no conserved community's land.</li> <li>The job opportunity at Pantab Village is remarkably low.</li> <li>The locals have aware of the conservation are including the endanger species as well as the prohibition and sanction for</li> </ul>	<p>There are Pantap Villagers who acts like the FFB contractor. There are also Pantap villagers who work on the company. The company shall inform the job opportunity.</p> <p>There was a socialization in term of HCV and signboard installation in Pantap Village office on May 8<sup>th</sup> 2014.</p>	<p>The management unit is encouraged to cooperate with the locals so the locals could think the advantage of the estate. It complies the principles 6.</p>



Implementation : Tuesday, May 19 <sup>th</sup> 2014 (interview)		
Issues from Public	Management Response	Auditor Response
hunting it.		
<b>The Chief and the community figure of Biru Maju Village</b> <ul style="list-style-type: none"> <li>There is a good road access since the estate establishment.</li> <li>The community got equal job opportunity and there is no discrimination.</li> <li>There is no environment contamination issue so far.</li> <li>There was a socialization in term of the procedure of consultation with the locals.</li> <li>The community got electricity assistance.</li> <li>There is no community empowerment program for Biru Maju Village.</li> <li>There is an ongoing land conflict issue from 2007 till nowadays. It is caused by the community's land overlap with the company's land.</li> </ul>	<p>The identified social program for Biru Maju Village is the lighting program. The company has planned the lighting program on 2015. The program is based on the community's need recommendation. It has been planned on the budget plan. The company also has held sewing training since 2014 and the company has given sewing machine to the community.</p> <p>The land conflict issue in Biru Maju Village has reached the progress where the mediation is conducted by the government team and the independent team. The government team has analyzed the case and has recommended its resolution to Regent and Governor. The Independent Team (task force) has identified and mapped the problems faced by the company, the resolution recommendation has been informed on the report.</p> <p>The DSF RSPO team has identified the problem by conducting discussion with several parties in term of the land conflict (August 2014).</p>	<p>The management unit is encouraged to cooperate with the locals so the locals could think the advantage of the estate. It complies the principles 6.</p>
<b>The Head of Mandang Estate Gender Committee</b> <ul style="list-style-type: none"> <li>The employees have aware of the sexual harasshment policy.</li> <li>The employees have aware of the reproduction right.</li> <li>The employees have aware of the method of sexual</li> </ul>	<p>The company shall improve the policy and implementation in term of the gender committee to prevent sexual harasshment and to create harmonic workplace environment.</p>	<p>The company is encouraged to improve the gender committee performance in order to create harmonic workplace environment. It complies the criteria 6.8 and 6.9.</p>



<b>Implementation : Tuesday, May 19<sup>th</sup> 2014 (interview)</b>		
<b>Issues from Public</b>	<b>Management Response</b>	<b>Auditor Response</b>
harasshment reporting. <ul style="list-style-type: none"> <li>There is no issue in term of sexual harrashment.</li> <li>The women workers have gotten reproduction rights such as H1 and H2 day off.</li> </ul>		
<b>The Head of Semilar Estate Gender Committee</b> <ul style="list-style-type: none"> <li>The employees have aware of the sexual harasshment policy.</li> <li>The employees have aware of the reproduction right.</li> <li>The employees have aware of the method of sexual harasshment reporting.</li> <li>There is no issue in term of sexual harrashment.</li> <li>The women workers have gotten reproduction rights such as H1 and H2 day off.</li> <li>There is no routine program conducted by the gender committee.</li> </ul>	<p>The company shall improve the policy and implementation in term of the gender committee to prevent sexual harasshment and to create harmonic workplace environment.</p> <p>Furthermore, the routine gender committee program is the maternal and baby clinic service (monthly).</p>	<p>The company is encouraged to improve the gender committee performance in order to create harmonic workplace environment. It complies the criteria 6.8 and 6.9.</p>
<b>The Head of Semilar Mill Gender Committee</b> <ul style="list-style-type: none"> <li>The employees have aware of the sexual harasshment policy.</li> <li>The employees have aware of the reproduction right.</li> <li>The employees have aware of the method of sexual harasshment reporting.</li> <li>There is no issue in term of sexual harrashment.</li> <li>The women workers have gotten reproduction rights such as H1 and H2 day off.</li> <li>The maternal and baby clinic is held monthly and the quran verse reading is held every Friday evening.</li> </ul>	<p>The company shall improve the policy and implementation in term of the gender committee to prevent sexual harasshment and to create harmonic workplace environment.</p>	<p>The company is encouraged to improve the gender committee performance in order to create harmonic workplace environment. It complies the criteria 6.8 and 6.9.</p>

Implementation : Tuesday, May 19 <sup>th</sup> 2014 (interview)		
Issues from Public	Management Response	Auditor Response
<b>The Head of Mandang Estate Labour Union</b> <ul style="list-style-type: none"> <li>Monthly meeting between the employees and the company is held.</li> <li>The employees have aware of the freedom to unit.</li> <li>The organization structure has been legalized by the Manpower Agency.</li> <li>The employees have been registered on labour social assurance (Jamsostek).</li> <li>There is no discrimination on the employees. All employees are treated equally based on the competence and skill.</li> <li>The employees get housing complex facilities.</li> <li>The employees get free PPE.</li> <li>There are routine meeting held by the Semilar Mill Labour Union.</li> <li>The employees have aware of the minimum wage standard for IDR 2,125,000. (USD 163).</li> <li>Monthly dues for IDR 1,000 (USD 0.07) and there is a labour union member card.</li> </ul>	<p>The company shall maintain good agreement with the workers to increase the worker's welfare. The company provides proper facilities, the worker's complaint is facilitated by the company and the worker's has freedom to unite, etc.</p>	<p>The company is encouraged to maintain good relation with the labour union to create welfare between the workers and the management unit.</p>
<b>The Head of Semilar Estate Labour Union</b> <ul style="list-style-type: none"> <li>The employees have aware of the freedom to unit.</li> <li>The organization structure has been legalized by the Manpower Agency.</li> <li>The employees have been registered on labour social assurance (Jamsostek).</li> </ul>	<p>The company shall maintain good agreement with the workers to increase the worker's welfare. The company provides proper facilities, the worker's complaint is facilitated by the company and the worker's has freedom to unite, etc.</p>	<p>The company is encouraged to maintain good relation with the labour union to create welfare between the workers and the management unit.</p>

<b>Implementation : Tuesday, May 19<sup>th</sup> 2014 (interview)</b>		
<b>Issues from Public</b>	<b>Management Response</b>	<b>Auditor Response</b>
<ul style="list-style-type: none"> <li>There is no discrimination on the employees. All employees are treated equally based on the competence and skill.</li> <li>The employees get housing complex facilities.</li> <li>The employees get free PPE.</li> <li>There are routine meeting held by the Semilar Estate Labour Union.</li> <li>The employees have aware of the minimum wage standard for IDR 2,125,000. (USD 163).</li> </ul>		
<b>The Head of Semilar Mill Labour Union</b> <ul style="list-style-type: none"> <li>The employees have aware of the freedom to unit.</li> <li>The organization structure has been legalized by the Manpower Agency.</li> <li>The employees have been registered on labour social assurance (Jamsostek).</li> <li>There is no discrimination on the employees. All employees are treated equally based on the competence and skill.</li> <li>The employees get housing complex facilities.</li> <li>The employees get free PPE.</li> <li>There are routine meeting held by the Semilar Mill Labour Union.</li> <li>The employees have aware of the minimum wage standard for IDR 2,125,000. (USD 163).</li> </ul>	<p>The company shall maintain good agreement with the workers to increase the worker's welfare. The company provides proper facilities, the worker's complaint is facilitated by the company and the worker's has freedom to unite.</p>	<p>The company is encouraged to maintain good relation with the labour union to create welfare between the workers and the management unit.</p>

Implementation : Tuesday, May 19 <sup>th</sup> 2014 (interview)		
Issues from Public	Management Response	Auditor Response
<b>Kontractor Local FFB Transporter</b> <ul style="list-style-type: none"> <li>The company had a good relationship with local contractor.</li> <li>Work agreement agreed upon through an open and transparent process.</li> <li>During an agreement with The Company, contractor never be aggrieved and the whole work agreement done well. Example: about timely payments work agreement.</li> </ul>	<p>The company will improve a good cooperation with workers.</p>	<p>The company is encouraged a good business with all contractor for support operational activities and local economic empowerment. The agreement must agreed with forward principles of fair and transparent according with principle 6.10 RSPO.</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>Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-end; margin-top: 100px;"> <div style="text-align: center;"> <p>PT Tapan Nadenggan Management Representative</p>  <p><u>Ismu Zulfikar</u> Monday, 08 Juny 2015</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><u>Bukti Bagja</u> Monday, 08 Juny 2015</p> </div> </div>

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

No	Institusi/LSM/Masyarakat	Alamat	Telepon/ Email	Bentuk komunikasi	Tanggal	Respon	
						Ya	Tidak
1	Environment Agency	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
2	National Land Agency	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
3	Plantation Agency	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
4	Labour Agency	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
5	Head of Rungau Raya Village	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
6	Head of Pantab Village	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
7	Head and Communities Biru Maju Village	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
8	Head of Mandang Estate Gender Committee	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
9	Head of Semilar Estate Gender Committee	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
10	Head of Semilar Mill Gender Committee	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
11	Head of Mandang Estate Labour Union	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
12	Head of Semilar Estate Labour Union	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
13	Head of Semilar Mill Labour Union	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
14	Local Contractor	District of Seruyan, Kalimantan Tengah Province, Indonesia	-	Direct consultation	19 Mei 2015	✓	
15	Masyarakat Adat Nasional (AMAN)	-	rumahaman @cbn.net.id	Email and questionnaire	12 Mei 2015		✓

16	Borneo Climate Change	Kantor Bappeda Kalimantan Tengah, Jalan Diponegoro No. 60 in Palangka Raya Kalimantan Tengah	borneoclimat esosmed@g mail.com	Email and questionnaire	12 Mei 2015		✓
17	Save Our Borneo	Jl. Tumanggung Tilung XI, Gg. Saverio Perum Borneo Indah No. 4 Palangkaraya, Kalimantan Tengah 73111	Telp. (0536) 3245196 Email : <a href="mailto:info@saveourborneo.org">info@saveourborneo.org</a>	Email and questionnaire	12 Mei 2015		✓
18	Sawit Watch	Jl. Taman Sempur Kaler No.28, Bogor. Jawa Barat. 16129	Telp : 0251-8352171 Fax : 0251-8352047 Email : <a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email and questionnaire	12 Mei 2015		✓
19	WALHI	-	<a href="mailto:info@walhi.or.id">info@walhi.or.id</a> ; <a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a>	Email and questionnaire	12 Mei 2015		✓
20	WWF Kalteng	Balai Taman Nasional Sebangau Jl. Mahir Mahar Km. 1,2 Palangka Raya 73113, Indonesia WWF-Indonesia Jl. Krakatau No. 12 Palangka Raya, Indonesia	Telp +62 536 3327093 Telp: +62 536 3236997 Fax: +62 536 3227700 <a href="mailto:wwfid-kalteng@wwf.or.id">wwfid-kalteng@wwf.or.id</a>	Email and questionnaire	12 Mei 2015		✓

**Appendix 2. Assessment Program**

Date/ Tanggal	18 – 22 Mei 2015				
PROGRAM	PROSES / HAL YANG DIAUDIT	AUDITOR			
		BB	AR	BP	APP
Monday/Senin, 18 Mei 2015					
09.00 – 11.00	Jakarta → Pangkalan Bun				
11.00 – 15.00	Pangkalan Bun - Site	√	√	√	√
15.00 – 16.00	OPENING MEETING				
16.00 – 17.00	Verification finding ASA-1 RSPO				
Tuesday /Selasa, 19 Mei 2015		BB	AR	BP	APP
08.00 – 12.00	• Stakeholders consultation to Related Government Institution (Seruyan District Government and local NGO)		√		
	• Stakeholders consultation to surrounding village(s), Labour union (SPSI), Gender Committee and local contractor			√	
	Field Observation MANDANG ESTATE				
	• Manuring, Spraying, Harvesting, best agricultural practices				√
	• Worker Welfare (payments, complaint mechanism)				√
	• Hazardous Waste Material (LB3) and Hazardous Material (B3) management	√			
	• Legal operational and Conservation Area	√			
	• Worker facilities (housing, health clinic, clean water, etc) and	√			
	• Land Fire facilities, Storage, ect.				√
12.00 – 14.00	BREAK	√		√	√
14.00 – 17.00	Clarification of Public Consultation and field observation also Document Review	√		√	√
Wednesday /Rabu, 20 Mei 2015		BB	AR	BP	APP
08.00 – 12.00	Field Observation SEMILAR ESTATE				
	• Manuring, Spraying, Harvesting, best agricultural practices				√
	• Worker Welfare (payments, complaint mechanism)			√	
	• Hazardous Waste Material (LB3) and Hazardous Material (B3) management			√	
	• Legal operational and Conservation Area				√
	• Worker facilities (housing, health clinic, clean water, etc) and			√	
	• Land Fire facilities, Storage, ect.				√
	Field Observation SEMILAR POM:				
	• Operational, OHS		√		
• WWTP, WTP Hazardous Waste Material (B3) management and Warehouse.		√			

	• Supply Chain	√			
12.00 – 14.00	<b>BREAK</b>	√	√	√	√
14.00 – 17.00	Continue document review and field observation clarification	√	√	√	√
<b>Thursday /Kamis, 21 Mei 2015</b>		<b>BB</b>	<b>AR</b>	<b>BP</b>	<b>APP</b>
08.00 – 12.00	Continue field observation and clarification of <b>SEMILAR POM, SEMILAR ESTATE AND MANDANG ESTATE</b>	√	√	√	√
12.00 – 14.00	<b>BREAK</b>	√	√	√	√
14.00 – 15.30	Continue checklist and audit finding preparation	√	√	√	√
15.30 – 17.00	<b>CLOSING MEETING</b>	√	√	√	√
17.00 – ...	<b>SITE → Pangkalan Bun</b>	√	√	√	√
<b>Friday /Jumat, 22 Mei 2015</b>		<b>BB</b>	<b>AR</b>	<b>BP</b>	<b>APP</b>
<b>08.00 – 12.00</b>	<b>Pangkalan Bun - Jakarta</b>	√	√	√	√



<b>Appendix 3. Glossary</b>		
AAA	:	Agronomy Audit and Advisory
AMDAL	:	Analisis Mengenai Dampak Lingkungan ( <i>Social and Environmental Impact Assessment</i> )
ASEAN	:	Association of South East Asian Nations
AVP	:	Assisstant Vice President
B3	:	Bahan Beracun dan Berbahaya ( <i>Hazardous Material Waste</i> )
BAS	:	Buana Artha Sejahtera
BLH	:	Badan Lingkungan Hidup ( <i>Environment Bodies</i> )
BOD	:	Biological Oxygen Demand
CEO	:	Chief Executive Officer
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
ENDV	:	Environment Division
GHG	:	Green House Gass
HCV	:	High Conservation Value
HGB	:	Hak Guna Bangunan ( <i>Building Use Tittle</i> )
HGU	:	Hak Guna Usaha ( <i>Land Use Permit</i> )
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
IPM	:	Intergrated Pest Management
JAMSOSTEK	:	Jaminan Sosial Tenaga Kerja ( <i>Social Assurance of Labor</i> )
LC	:	Land Clearing
LUCC	:	Land Use and Cover Change
MAA	:	Mill Audit Advisory
NC	:	Non Comformance
OER	:	Oil Extraction Rate
OIA	:	Operations Internal Audit
P2K3	:	Panitia Pembina Keselamatan dan Kesehatan Kerja ( <i>Occupational Safety and Health Committee</i> )
PKO	:	Palm Kernel Oil
PKS/POM	:	<i>Pabrik Kelapa Sawit</i> (Palm Oil Mill)
PPE	:	Personal Protection Equipment
PSM	:	Perkebunan Sinarmas
RC	:	Region Controller
RKL/RPL	:	Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan. ( <i>Environmental Management Plan/ Environment Monitoring Plan</i> )
SMARTRI	:	Smart Reseach Institute
SOP	:	Standart Operational and Procedure
TBS / FFB	:	Tandan Buah Segar / <i>Fresh Fruit Bunches</i>
TN	:	Tapian Nadenggan
UKL/UPL	:	Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan.

		<i>(Environmental Management Efforts/ Environmental Monitoring Efforts)</i>
VPA	:	Vice President Agronomy
WWTP	:	Waste Water Treatment Plant