

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

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

Name of Management : Alur Dumai Palm Oil Mill –  
 Organisation : PT Lahan Tani Sakti, Sime Darby Plantation Sdn Bhd  
 Plantation Name : Alur Dumai Estates  
 Location : Pondok Kresek Village, Pujud Subdistrict, Rokan Hilir District, Riau Province, Indonesia  
 Certificate Code : **MUTU-RSPO/011**  
 Date of Certificate Issue : 16 January 2012      Date of License Issue : 16 January 2016  
 Date of Certificate Expiry : 15 January 2017      Date of License Expiry : 15 January 2017

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
<b>ASA-4</b>	26 – 30 October 2015	Ardiansyah (LA), Moh. Arif Yusni, Andi Pratama Pasaribu, Fuji Lestari	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
<b>ASA-4</b>	<b>22 December 2015</b>

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### FIGURE

Figure 1. Location Map of PT. Lahan Tani Sakti

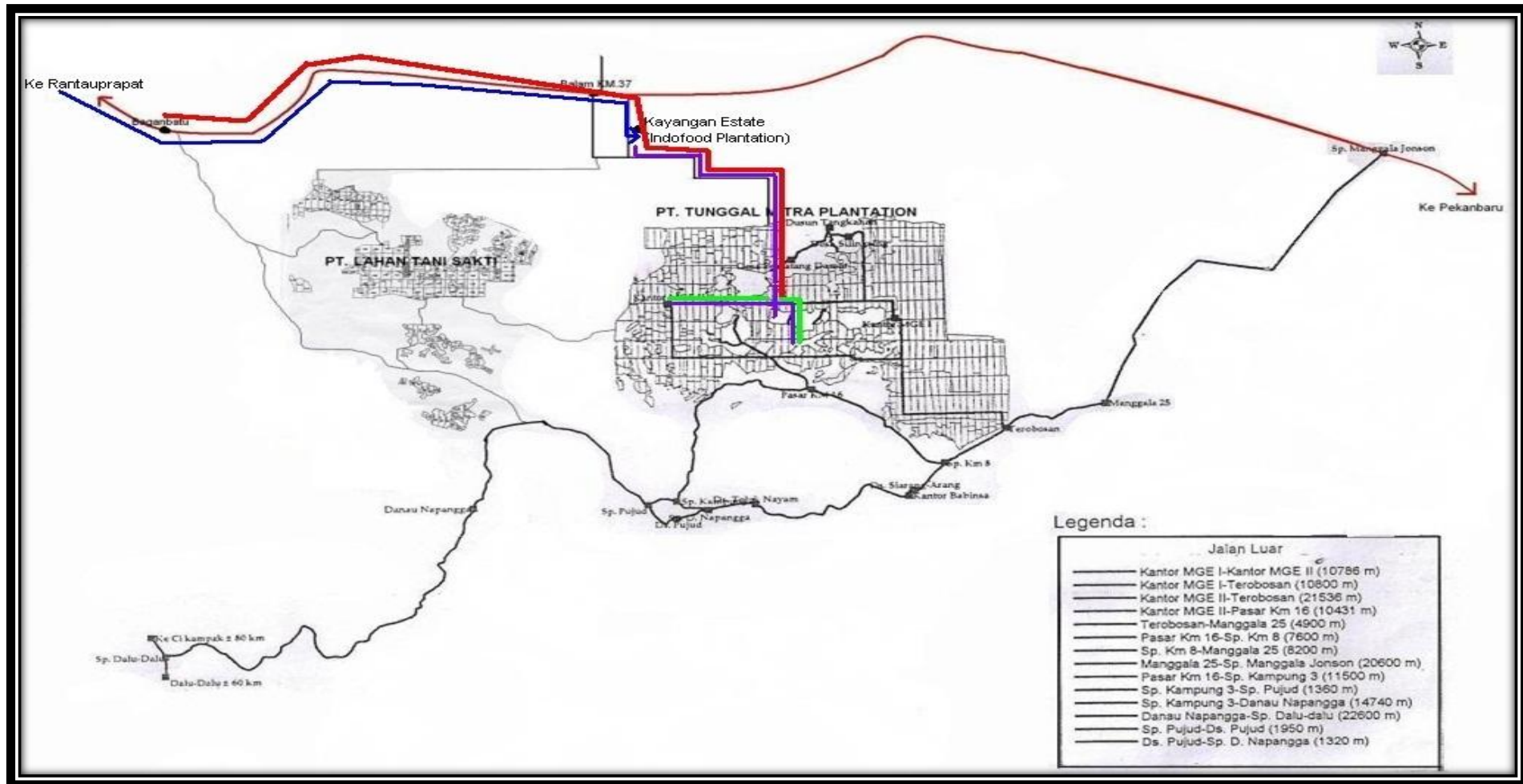
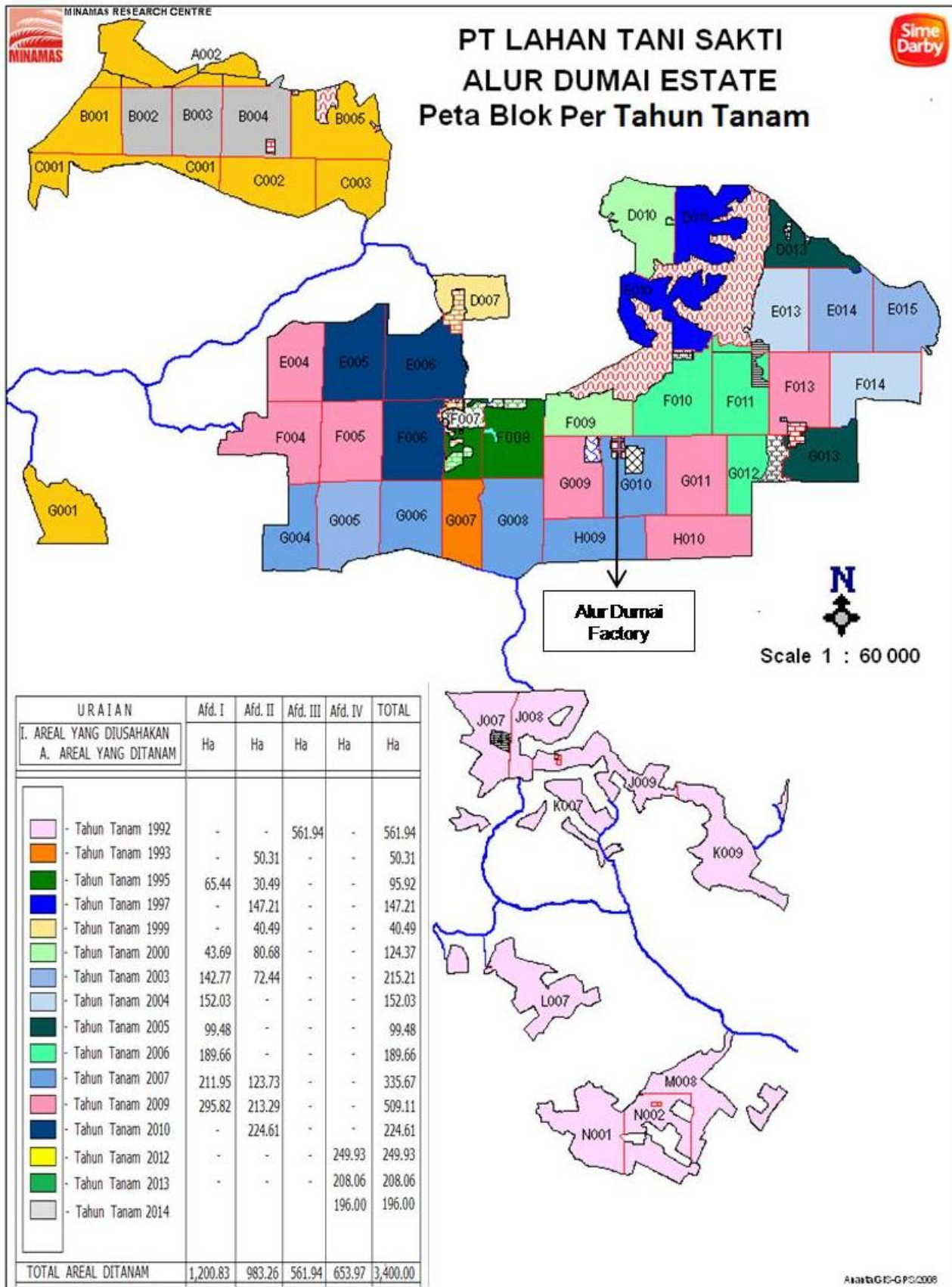


Figure 2. Operational Map of PT. Lahan Tani Sakti (Alur Dumai Estate)



**Glossary**

ADE	:	Alur Dumai Estate
ADF	:	Alura Dumai Factory
ASA	:	Annual Surveillance Assessment
ASEAN	:	Association of South East Asian Nations
BOD	:	Biological Oxygen Demand
BSS	:	Block Spraying System
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
EHS	:	Environment Safety and Health
EIA	:	Environmental Impact Assessment
EWS	:	Early Warning System
FFB	:	Fresh Fruit Bunch
GCAD	:	Group Corporate Assurance Departement
HCV	:	High Conservation Value
HGU	:	<i>Hak Guna Usaha</i> (Land Use Permit)
HIRAC	:	Hazard Identification Risk Assessment Control
HPO	:	Head Platation Operations
IPM	:	Integrated Pest Management
JAMSOSTEK	:	<i>Jaminan Sosial Tenaga Kerja</i> (Social Assurance of Labor)
KER	:	Kernel Extarction Rate
LC	:	Land Clearing
LCC	:	Land Cover Crop
LLRP	:	Long Range Replanting Programme
MOP	:	Muriate of Potash
MRC	:	Minamas Research Centre
MSDS	:	Material Safety Data Sheet
NGO	:	Non Government Organization
OER	:	Oil Extarction Rate
OHS	:	Occupational Health and Safety
PK	:	Palm Kernel
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protection Equipment
PSD	:	Plantation Services Departement
PSQM	:	Plantation Sustainability and Quality Management
SOP	:	Standart Operating System
SOU	:	Strategic Operation Unit
WHO	:	World Health Organization
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant



<b>1.0 SCOPE OF THE CERTIFICATION ASSESSMENT</b>			
<b>1.1 Assessment Standard Used</b>		<ul style="list-style-type: none"> <li><i>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 Organisation Information</b>			
1.2.1	Organisation name listed in the certificate	PT LAHAN TANI SAKTI - SIME DARBY Plantation Sdn Bhd.	
1.2.2	Contact person	Mohamad Pirabaharan	
1.2.3	Organisation address and site address	RSPO registered company: No 2, Plantation Tower, PJU 1A/7Street, Petaling Jaya, Malaysia 47301.  Liaison Office: The Plaza Lt. 36, JL. MH Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+62-21-29926000	
1.2.5	Fax	+62-21-29922686	
1.2.6	E-mail	<a href="mailto:mohamad.pirabaharan@sime-darby.com">mohamad.pirabaharan@sime-darby.com</a>	
1.2.7	Web page address	<a href="http://www.sime-darby.com">www.sime-darby.com</a>	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan (Head of PSQM Minamas Plantations-Sime Darby)	
1.2.9	Registered as RSPO member	1-0008-04-000-00 7 September 2004	
<b>1.3 Type of Assessment</b>			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base : <ul style="list-style-type: none"> <li>Alur Dumai Factory, Alur Dumai Estates</li> </ul>	
1.3.2	Type of certificate	Single	
<b>1.4 Locations of Mill and Plantation</b>			
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b>
			<b>Longitude</b>
	Alur Dumai	Village Of Pondok Kresek, Sub District Of Pujud, District Of Rokan Hilir, Province of Riau	N 1° 33' 40"
			E 100° 32' 30"

1.4.2	Location of Certification Scope of Supply Base			
	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Alur Dumai Estate	Village Of Pondok Kresek, Sub District Of Pujud, District Of Rokan Hilir, Province of Riau	N 1° 28' 38" – 1° 36' 31" N	E 100° 28' 29" – 100° 34' 39"
1.5	Description of Area Statement			
1.5.1	Tenure			
	• State		3,759.01 Ha	
	• Community		Ha	
1.5.2	Area Statement			
	• Total area		3,759.01 Ha	
	• Mature area		2,702.39 Ha	
	• Immature area		695.60 Ha	
	• Mill		12.33 Ha	
	• Infrastructure		123.27 Ha	
	• Nursery		8.40 Ha	
	• Occupation		193.90 Ha	
	• HCV		23.12 Ha	
1.6	Planting Year and Cycles			
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		Alur Dumai Estate	Total	
	1992	270.39	270.39	
	1993	50.31	50.31	
	1995	93.92	93.92	
	1997	147.21	147.21	
	1999	40.49	40.49	
	2000	124.37	124.37	
	2003	215.21	215.21	
	2004	152.03	152.03	
	2005	99.48	99.48	
	2006	189.66	189.66	
	2007	335.67	335.67	
	2009	509.11	509.11	
	2010	224.61	224.61	
	2013	249.93	249.93	
	2014	404.05	404.05	

	2015	291.55	291.55				
	TOTAL	3,397.99	3,397.99				
1.6.2	New Planting area after January 2010	- Ha					
1.6.3	Planting Cycle	2 <sup>nd</sup> Cycle					
1.7	Description of Mill and Supply Base						
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Alur Dumai Factory	15	47,249.30	11,217.44	23.74	2,329.86	4.93
	*Source: processing data Oktober 2014 to September 2015						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/y ear)	Supplied to Mill	
						FFB (tonnes/year)	%
	Alur Dumai Estate	3,759.01	3,398.00	47,264.80	17.22	47,264.80	100
	TOTAL	3,759.01	3,398.00	47,264.80	17.22	47,264.80	100
	*Source: production data Oktober 2014 to September 2015						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location			Supplied to Mill	
						FFB (tonnes/year)	
	-	-	-			-	
	TOTAL						
	*Source: production data Oktober 2014 to September 2015						
1.7.4	Jenis Produk			FFB, CPO, PK			
1.8	Estimate Tonnage of Certified Product						
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 16 Januari 2014 to 15 Januari 2015 (ton/tahun)		Actual certified product 16 Janurai 2014 to 24 Oktober 2015 (ton/tahun)	
	• FFB Production			57,800		35,199.87	
	• CPO Production			13,427		8,238.99	
	• Palm Kernel (PK) Production			2,890		1,740.16	
1.8.2	Estimate of Certified FFB Claim						
	Name of Estat	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)		Yield (tonnes/ha/year)	
	Alur Dumai	3,759.01	3,398	61,164		18.00	
	TOTAL	3,759.01	3,398	61,164		18.00	
	Estimated data Periode Oktober 2015 to September 2016						



1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Alur Dumai Factory	15	61,164	14,679	24	3,058	5
	Estimated data Periode Oktober 2015 to September 2016						
1.9	Other Certifications						
	Others			-			
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location		
	MILL	Time Bound Plan					
	Sekunzir. PT. Indotruba Tengah	Certified 2010	Sekunzir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan		
			Seruyan	Certified 2010			
	Manggala. PT. Tunggal Mitra Plantations	Certified 2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau		
			Manggala 2	Certified 2010			
			Manggala 3	Certified 2010			
	PT. Sime Indo Agro	Certified 2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan		
	Teluk Siak. PT Aneka Inti Persada	Certified 2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau		
			Pinang Sebatang	Certified 2011			
			Aneka Persada	Certified 2011			
	Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera		
			Bukit Pinang	Certified 2012			
	Sukamandang. PT. Kridatama Lancar	Certified 2011	Sukamandang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Sapiri	Certified 2011			
			Baras Danum	Certified 2011			
			Kuala Kuayan	Certified 2011			
	Pematang. PT. Teguh Sempurna	Certified 2011	Pematang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Kawan Batu	Certified 2011			
			Hatan Tiring	Certified 2011			
			Batang Garing	Certified 2011			
	Teluk Bakau. PT. Bhumireksa Nusa Sejati	Certified 2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau		
			Nusa Perkasa	Certified 2011			
			Nusa Lestari	Certified 2011			
	Mandah. PT. Bhumireksa Nusa Seiati	Certified 2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau		
			Rotan Semelur	Certified 2011			

Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		Pantai Bonati	Certified 2011	
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan
		Gunung Sari	Certified 2011	
		KKPA-4 PT.SHE	Certified 2013	
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		KKPA-3 PT.SHE	Certified 2013	
		KKPA-5 PT.SHE	Certified 2013	
Gunung Aru. PT Bersama Sejahtea Sakti	Certified 2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan
		Gunung Kemas	Certified 2011	
		Laut Timur	Certified 2011	
		Pantai Timur	Certified 2011	
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
		Bebunga	Certified 2011	
		KKPA Sungai Cengal	2014	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan
		Pondok Labu	Certified 2012	
		Rampa	Certified 2012	
		Sesulung	Certified 2012	
Selabak. PT Swadaya Andhika	Certified 2012	Selabak	Certified 2012	Kotabaru District – South Kalimantan
		Randi	Certified 2012	
		Sangkoh	Certified 2012	
		Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
		Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
		Sekayu	Certified 2012	
Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
		Plasma TGK	2015	
Ladang Panjang. PT Bahari Gembira Ria	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
		Plasma BGR	2015	
Rantau Panjang. PT Guthrie Pecconina Indonesia	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South Sumatera
		Bumi Ayu	Certified 2012	
		Karang Ringin	Certified 2012	
		Napal	Certified 2012	
		Mangun Jaya	Certified 2012	
		KKPA Sungai Jernih	2015	
Blang Simpo. PT Perkasa Subur	Certified 2013	Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam
		Batang Ara ((PT PSK))	Certified 2013	

	Sakti	2017	Blang Simpo-01 (PT PPP)	Certified 2013	Sanggau District – West Kalimantan
			Blang Simpo-02 (PT PPP)	Certified 2013	
			MAS 1	2017	
			MAS 1	2017	
			MAS 1	2017	
	MAS. PT Mitra Austral Sejahtera	Certified 2014	Lembiru	Certified 2014	Ketapang District – West Kalimantan
			Awatan	Certified 2014	
			Pelanjau (PT BAL)	2017	
			Sungai Putih (PT BAL)	2017	
			Baturus (PT BAL)	2017	
	<p>Sime Darby has achieved 39 management units in Malaysia and 21 Management Units in Indonesia RSPO certified. There was change of the Time Bound Plan under Sime Darby cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTUAGUNG has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>				
1.10.2	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>				
	Alur Dumai Factory PT. Lahan Tani Sakti only received FFB from own estate and did not received FFB from independent smallholders.				

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Assessment Team</b>
<b>ASA-4</b>	<ol style="list-style-type: none"> <li><b>Ardiansyah (Lead Auditor).</b> Bachelor of Forest Resources Conservation, Department of Forestry, Bogor Agricultural University. He has followed several activities for identified environmental impact such as preparing EIA document for plantation and plantation forest. He has followed several trainings namely: Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Diameter, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and mapping for land cover analysis. During the assessment the auditor verified the environmental aspect, legal aspect and SCCS.</li> <li><b>Andi Pratama Pasaribu (Auditor).</b> Bachelor of social economy and 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. During the assessment the Auditor verified Best management Practice.</li> <li><b>Moh. Arif Yusni (Auditor).</b> Bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection). He has a working experience for 2 (two) years in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and Auditor/Lead auditor Management System Certification (ISO 9001-2008),. Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an auditor.</li> <li><b>Fuji Lestari (Auditor).</b> Bachelor of Agribusiness Management of Jember Politechnique Institute. She has participated on ISPO Auditor Training, Awareness RSPO, Training ISO 9001:2008. She shall assess the aspect of social and manpower.</li> </ol>
<b>2.2</b>	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-4</b>	<p>Number of auditors: 4 auditor</p> <p>Number of days for Surveillance-4 at site: 3 days</p> <p>Number of working days for Surveillance-4 at site: 12 Working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-4</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. Lahan Tani Sakti to the requirements of RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill).</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-4</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>Re-certification</b>).</p> <p>The assessment program please find Appendix 2</p>
<b>2.2.3</b>	<b>Location of Assessment</b>
<b>ASA-4</b>	<p>The surveillance used 1 management unit, which consists of 1 (one) estate, which supplies FFB to 1 (one) mill. The audit team used 0.8-√y formula in order to choose the management unit's sample by considering the critical and substantial issues from stakeholders. Based on this formula, team audit chose palm oil mill (Alur Dumai Factory) and 1 estate (Alur Dumai Estate).</p>

**Alur Dumai Estate**

1. **Fertilizer central warehouse.** The hazardous waste symbols were available. Personnel used mask and fertilizer storage arrangement has been inline with the applicable regulation. Moreover, air ventilation in the warehouse building was in good condition.
2. **Workshop.** Observation and interview with warehouse personnel. Personnel used standardized PPE and understood work risk and hazard. Moreover, welder has received training to earn certificate and has conducted periodic medical examination.
3. **Chemical Warehouse.** First aid kits, hazardous and poisonous symbols were available. Personnel have understood the emergency response procedure. Moreover, periodic medical examination has been implemented.
4. **Tangki solar.** Observation in diesel tank. Personnel in charge understood tank-filling procedure. Moreover, the appropriate PPEs were available and have been inline with hazardous and poisonous symbols' regulation.
5. **Fire extinguisher facilities.** Observation shows the tools were consists of water tank and truck, hose, pump mechine, shovel and so forth. The inventory process over fire extinguisher has been conducted in a monthly basis.
6. **Polyclinic.** Clinical waste management has been conducted based on the applicable regulation. Interview with medical personnel revealed that paramedics received hyperkes training and earned license from related institution.
7. **TPAS division II.** Based on observation, domestic waste collection and storage have been inline with company's regulation. For instance waste being collected and transported periodically to final landfill.
8. **Harvesting in Block F005 Division II (Non-Dol System).** Observation and interview with supervisor and harvesting personnel on harvesting activity. It is known that harvesting personnel are fix-term personnel, who understood the harvesting work procedure and payment procedure. Moreover, personnel used PPE and could demonstrate correct and safe work procedure.
9. **Road maintenance in Blok F005 Division II.** Observation on road maintenance process, which wa using heavy equipment (road greeder).
10. **Weed control in Block G005 trench Division II.** Observation and interview with pesticide supervisor and applicator. Pesticide applicator could demonstrate the correct and safe application technic. Moreover, they wore PPE and received periodic medical examination. The entire applicator personnel have participated in training and understood payment/ salary procedure.
11. **Harvesting in Blok F006 Division II (CCM44 dose 5.4 kg/tree).** Observation over harvesting activity by using the spreading technic. Personnel could demonstrate the appropriate fertilizer application based on the target and dose. Furthermore, personnel wore sufficient PPE and could explain the safe work procedure and received periodic medical examination.
12. **Palm oil liquid waste application in Block G011 and F010 I.** Based on interview with application personnel, the average of daily application was 40 – 50 m<sup>3</sup>/day. From June to October 2015 was about 13,630 m<sup>3</sup> (average/hours 43.69 m<sup>3</sup>). Field observation showed flat bed in a good and safe condition.
13. **Land clearing preparation for replanting in block L007/Division III.** Observation on cutting tree, chipping, stacking and root for replanting preparation. All activity applied mechanic principle by using heavy equipment without burning and there is no signs of burning in the area.
14. **Empty fruit bunch in block J008 Division III.** Observation using EFB as mulch and organic fertilizer for new plant that just be transplanted to the field. Application technique using 4 rows of spiral in the circle and can not apply stacking to minimize the risk of rhino beetle ( *Oryctes rhinoceros*) inoculation.
15. **Beneficial plant upkeeping in the main roas and collection road Division II.** Based on observation, there is a beneficial plant of *Turnera subulata*, *Antigonon leptosus* and *Casia cobanensis* as a nature host plant of leave eating caterpillar.
16. **Housing complex of Division 2.** Interviewing the worker on facilities and conducting observation on facilities provided by the company
17. **Toddler daycare.** Interviewing worker on facilities and worker prosperity
18. **Final landfil Division 2.** Ensuring the worker does not burn the waste.
19. **Field E015, Division I:** observation on legal pole demarcation condition No. 153. The pole is in a good condition

- and is bordered with the community land
20. **Field E015, Division I:** observation on legal pole demarcation condition No. 154. The pole is in a good condition and is bordered with the community land.
  21. **Field E014, Division I:** observation on legal pole demarcation condition No. 158. The pole is in a good condition and is bordered with PTPN IV Tanjung Medan land.
  22. **Field G008, Division I:** observation on legal pole demarcation condition No. 171. The pole is in a good condition and is bordered with PTPN IV Tanjung Medan land.
  23. **Field J009, Division III:** observation on legal pole demarcation condition No. 218. The pole is in a good condition and is bordered with PTPN IV Tanjung Medan land.
  24. **Field J009, Division III:** observation on legal pole demarcation condition No. 314. The pole is in a good condition and is bordered with the community land.
  25. **Field K007, Division III:** observation on legal pole demarcation condition No. 362. The pole is in a good condition and is bordered with the community land.
  26. **Field K007, Division III:** observation on legal pole demarcation condition No. 363. The pole is in a good condition and is bordered with the community land.
  27. **Field K007, Division III:** observation on legal pole demarcation condition No. 388. The pole is in a good condition and is bordered with the community land.
  28. **Field K007, Division III:** observation on legal pole demarcation condition No. 393. The pole is in a good condition and is bordered with the community land.
  29. **Field D013, Division I:** observation on peat land management in form of manual water gate and piezometer. Water gate use sand sack
  30. **Field F011 and E013, Division I:** observation over land occupied by community. It is known that the area is under community occupation and currently most of the area is planted with palm oil and small area is bushes. Splitting occupied area and company area, the border trench is constructed with 1m width
  31. **Field E013, Division I:** observation on land fire prevention equipment which are fire tower for 16 m height

#### Alur Dumai Factory

32. **FFB acceptance.** Observation shows that the assigned staff has understood the FFB acceptance.
33. **Production Process.** Observation shows that the production process is implemented the owned procedure.
34. **Water Treatment Plant (WTP).** Observation shows the flowmeter condition functioning normal and water record conducted daily the assigned staff
35. **Workshop:** the assigned officer is equipped with PPE of helmet, glasses, gloves, safety shoes etc.
36. **Sparepart Warehouse:** The goods stacking is done based on the type of goods. The assigned officer has understood the incoming and outgoing goods procedure
37. **Chemical Warehouse.** Interview and observation with the warehouse officer, the worker is equipped with the suitable PPE, having regular medical check, and understand the chemical warehouse procedure.
38. **Hazardous Waste Storage.** The hazardous waste management has complied with the regulation, Hazardous waste symbol, oil trap and eye shower is functioning well. Record input into logbook is conducted daily and pick up by legal hazardous waste contractor.
39. **WWTP:** there is no leakage indication in WWTP ponds and the effluent volume discharge for land application is monitored using well function flowmeter

#### Stakeholder Consultation:

40. **Surrounding Village (Sri Kayangan Village and Pondok Kresek Village).** The interview on company contribution to surrounding communities, pollution issue and land dispute issue.
41. **Government Agencies of Rokan Hilir District (District Environmental Controller and Manpower and Transmigration Agency).** The interview is on company obedience to applied regulation, environmental pollution issue, manpower issue and waste management.
42. **Internal Stakeholder (Worker Union, Gender Committee).** Interview on company obligation on its worker
43. **Local Contractor (CV MKJP and PT MAS).** Interview on company obligation on working contract with the local



	business and company contribution to local community.
<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-4</b>	<p>Consultation of stakeholders for PT Lahan Tani Sakti was held by:</p> <ol style="list-style-type: none"> <li>1. Public announcement at web <a href="http://www.mutucertification.com">www.mutucertification.com</a> on 12 October 2015.</li> <li>2. Consultation meeting and interview with government agencies Rokan Hilir regency (Manpower agency, Environmental Agency) on 27 October 2015.</li> <li>3. Consultation meeting and interview with Surrounding Village (Sri Kayangan Village and Pondok Kresek Village) on 27 October 2015.</li> <li>4. Consultation meeting and interview with Internal Stakeholder (Worker Union, Gender Committee) on 27 October 2015.</li> <li>5. Consultation by email with NGO (Jikalahari) 23 October 2015</li> </ol> <p>Numbers of input from stakeholders were clarified by PT Lahan Tani Sakti.</p>
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>Re-certification</b> ) will be planned 9 to 12 months after <b>ASA-4</b> assessment.

### 3.0 ASSESSMENT FINDINGS

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

MUTUAGUNG LESTARI has conducted an assessment of Alur Dumai Factory – PT Lahan Tani Sakti, Sime Darby Plantation Sdn Bhd operation consisting of one (1) mill and one (1) oil palm estate.

During the assessment, there were three (3) Nonconformities were assigned against Major Compliance Indicators, two (2) nonconformities were assigned against Minor Compliance Indicators and ten (10) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditor(s) in form of documentation evidences e.g. (document record/photographic). Those corrective action(s) taken that consist of three (3) Major non-conformities) and one (1) Minor non-conformity had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Alur Dumai Factory – PT Lahan Tani Sakti, Sime Darby Plantation Sdn Bhd complied with the requirements of RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill).

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

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>	<b>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</b>	
	<p>Company has list of stakeholder in 2015, which highlights information about the name of institution/ company, name, address, email and phone number/HP. List of stakeholder has been periodically updated every month. PT LTS stakeholders, such as government institutions, supplier, local community, NGO, local companies, education institutions, plantation association. Company has appointed person in charge to renew and update list of stakeholder, which is the KTU personnel.</p> <p>Company has SOP for information request, No. 001/LTS-PI/09, rev 01, on 03<sup>rd</sup> Augusts 2010 that explains the procedure to answer information request from stakeholders. This procedure states that the duration to give an answer would be within 7 days. However, this procedure does not explain how many times the list of stakeholders should be updated and how is the mechanism to renew the list, how easy to access information and where should the information being distributed and socialized. <b>Based on the aforementioned explanation, hence there is non-compliance No. 2015.01 with major grade.</b></p> <p>Company has documented the entire information request in information acceptance monitoring logbook. From ASA-3 to ASA-4, there were no incoming information requests in the logbook. Interview with personnel revealed that local village and related institutions have stated that they never submit information request to PT LTS.</p>	
<b>1.1.2</b>	<b>Status: Non-compliance No.2015.01 with major grade</b>	

**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.**

List of accessible document for public is stated in document No. 160/SOU-16/X/2015 dated 15<sup>th</sup> October 2015. The document states that the available public documents such as occupational health and safety plan, assessment plan related to environment and social impact analysis, documentation on HCV, pollution reduction and prevention plan, detail of complain and reports, negotiation procedure, sustainable improvement plan, public summary from the certification assessment, human right policy, legal document, environment and social document and occupational health and safety documents. All these documents are available in estate and mill's office.

The socialization of public-accessed documents such as:

- Installing information boards in some locations, including security post
- Socialization during safety briefing. For instance on 16<sup>th</sup> October 2015, there was socialization, which was attended by personnel and representative from worker union.
- Socialization with local community's representative. For instance on 21<sup>st</sup> October 2015

The interview result with local community and personnel revealed that they have understood the list of document that can be accessed by public, with the emphasize that the document does not harm environment, social and the sustainability of company's activity.

**Status: Comply**

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

Company has a commitment on ethical issue in a form of code of conduct for personnel on the entire company's operation activity. This commitment is stated in *Code of Conduct* (No. Policy 440/HRM-COC/07, Rev. 00 on 24<sup>th</sup> May 2007). Company has conducted socialization over *Code of Conduct*, for instance on 21<sup>st</sup> October 2015 that was attended by 16 representative from division I, division II, division III and division IV. The interview with PT LTS personnel revealed that they have understood company's commitment on ethical issue.

**Status: Comply**

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

Certificate holder proves its compliance toward the applicable regulations, such as:

1. Has business license based on Government Decree No. 40 in 1996.
2. Has plantation business license based on Ministry of Forestry Decree 98 in 2013.
3. Has a license for Temporary Hazardous Waste Landfill. In addition, company submits its hazardous waste management every 3 months to related agency based on Government Decree No.101 in 2014.
4. Conducting air emission and ambient examination every 6 months and submitting the examination result to related institution based on Government Decree No. 41 in 1999.
5. Has a license for *Land Application* based on Ministry of Environment Decree No. 29 in 2003.
6. Has environment impact analysis and submits its management result as well as monitors environment condition based on government regulation No. 27 in 2012.
7. Has an organogram for guiding committee for occupational health and safety, with the secretary who is an expert on general occupational health and safety based on Ministry of Manpower Decree No. 4 in 1987.
8. Provides social insurance for manpower, in a form of manpower social insurance/ Jamsostek based on government Decree No. 24 in 2014.

Public consultation with government institution in Rokan Hilir District revealed that PT LTS has complied the applicable regulation in term of palm oil plantation operation. In addition, PT LTS has an opportunity to extend its Hazardous Waste Storage, which will be expired in July 2016. **OFI**

In order to ensure that the entire legal regulation and policies have been complied, certificate holder develops 'list of regulation', that related to plantation activity and performs evaluation on compliance toward the list of regulation. PSQM personnel in unit are responsible personnel to conduct the evaluation over company's compliance toward list of regulation. Moreover, list of regulation is updated annually. For instance the latest list of regulation has been updated in October 2015.

PT LTS has a system, which records the revision and change over the applicable regulations. PSQM is a department in charge to conduct the aforementioned evaluation. In case there is a revision over the applicable regulation, hence PSQM department will inform the change to head of unit. Compliance toward the applicable regulation in 2015 is the revision over personnel' wage based on Governor Riau Decree Number: Kpts. 244/III/2015 on 31<sup>st</sup> March 2015. Based on document's review and interview with personnel, its known that personnel received salary based on the applicable regulations.

<b>Status: OFI</b>
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## 2.2

**The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.**

PT LTS manages the operation area since 1986. At the beginning, PT LTS conducted palm oil and rubber plantation management. The cultivation was conducted in 1989 and from 2003 to 2010, company converted rubber plantation into palm oil plantation. At present, PT LTS manages 3,204.01 Ha of palm oil plantation and 359.01 Ha of supporting/ additional area. PT LTS has land ownership in a form of **HGU certificate No. 3** dated 19<sup>th</sup> January 2001, which covers an area of **3,187.579 Ha** and **HGU certificate No. 4** dated 19<sup>th</sup> December 2000, which covers an area of **571.435 Ha** with total coverage is **3,759.014 ha**. National Land Agency has measured the entire owned-area.

PT LTS has a map that shows the location of legal boundary stake (HGU stake) on soil map on 19<sup>th</sup> June 2000 (page 1 and 2) from National Land Agency. HGU stakes within PT LTS's operation area have been monitored every 3 months. The monitoring result in May 2015 showed that 660 legal stakes are in good condition and 7 stakes in poor condition (the paint is burry). Moreover, field visit to stake No. 153, 154, 158, 171, 218, 314, 362, 363, 388, 393 showed that legal boundary stake are in good and well-maintained condition. Based on filed visit, there was no operation outside licensed area.

Document's review and interview with PT LTS's personnel revealed that there is 193.90 Ha within the HGU area. However, this area has not been released by PT LTS. Interview between related agencies and local villages (Sri Kayangan and Pondok Kresek) revealed that from ASA-3 surveillance to ASA-4 surveillance, there was no conflict between PT LTS and local communities.

PT LTS has the SOP for conflict resolution (RSPO/IN 2.2/PK) No: 004/LTS-PK/09 on 2<sup>nd</sup> April 2009 and SOP for land compensation (RSPO/IN 6.3.3/AE) Reg No: 024/ LTS-PGR/10. This procedure explains that conflict resolution and compensation payment should be conducted in a participatory way by involving local villages and local communities. Moreover, PT LTS has a prohibition to hire army based on Memorandum No. 182/SOU-16/X/2015 on 27<sup>th</sup> October 2015, which was issued by Alur Dumai Estate Manager and Alur Dumai Mill Manager.

<b>Status: Comply</b>
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## 2.3

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

In order to identified parties, who have the utilization license, PT LTS has a mechanism for land compensation (RSPO/IN 6.3.3/AE) Reg No: 024/ LTS-PGR/10, which stated that the compensation process should involve local village officers and land owners.

Public consultation between local government and local communities revealed that since the certification process (*Initial Assessment*) until present, there is no complain related to indigenous right within company's operation area.

Document's review shows that PT LTS conducted the latest land clearance in 2008. Moreover, from ASA-3 to ASA-4, PT LTS has not conducted land clearance.

**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.**

PT LTS has long-term plan that is stated in budget document 2015 - 2020. This document points out the budget estimation for estate operation, that covers FFB's production, maintenance cost, fertilization, harvesting and collection, transport, fix budget (salary, office operation cost, training, road and bridge maintenance). PT LTS develops the long-term plan to be approved by top management and the accomplishment over the plan will be annually evaluated.

Company has a plan for replanting activity that is stated in *Long Range Replanting Programme* (LRPP) document in 2011 – 2035. This document is completed with a map of replanting plan in 2011 – 2035, which was developed by *Minamas Research Centre* (MRC) team with a scale of 1:60,000. Moreover, company can present the implementation over its replanting activity. PT LTS has conducted replanting over the 103.5 Ha area in 2014/2015. During the audit, the replanting program in 2015 – 2016 is on cutting, mincing, and developing the planting hole process. However there is no cultivation/replanting activity. For instance in block L07 Division III.

**Status: Comply**

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

#### **4.1**

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

Company has SOP for estate maintenance, from LC to harvesting. The SOP covers the agronomic manual reference for palm oil manual cultivation No. Policy; 110/EST-ARM/13, which consists of 18 chapters/parts on palm oil cultivation technic based on memorandum from Head of Plantation Upstream Indonesia on 16<sup>th</sup> September 2013. Meanwhile, the chapters are discussing the cultivation material, nursery technic, replanting, land preparation, cultivation density, harvesting age, field maintenance, fertilization, canopy management, water management in beach area, cultivation in peat area, ablasi, ripe standard, harvesting spin, loose fruit collection, plantation protection, weed control, the establishment of cover crop and rain fall rate records. Meanwhile the Alur Dumai palm oil mill's operation has had the procedure from FFB's acceptance, management to CPO & PKO dispatch. *Head Plantation Operations* (HPO) approved this procedure on 26<sup>th</sup> July 2010.

The entire SOP has been set in written. Personnel and field supervision can understand the SOP. Moreover, SOP also available in estate and mill office, which made it accessible for personnel.

Based on field observation and interview with personnel, the procedure has been implemented. For instance:

- Field visit in harvesting block (F005 Division III) showed that field supervisor has understood his responsibility based on the applicable SOP. For instance, conducting the daily quality check regularly. Moreover, the evaluation is recorded in a digital version through telecommunication tools (cellular phone) in *Plantation Micro Macro Program* (PMMP) application.
- Field visit in di loading ramp Alur Dumai Factory shows that sortation/grading officers under PSQM department have understood the sortation/ grading procedure and they could demonstrate the procedure.

In order to ensure the operation procedure has been implemented, company periodically conducted internal audit. Some form of internal audits have been conducted under Sime Darby Group, such as internal audit agronomy, processing, environment, safety and health and so on and so forth. Plantation Advisory conducted examination over estate and Mill Advisory conducted examination over mill. The latest mill advisory was conducted in February 2015 and Plantation Advisory was conducted in September 2014.

In order to ensure the entire operation activity is well documented, company has a daily report system for its entire operation activity. The daily work recapitulation is documented every month in estate unit report, which stated estate



report, such as areal statement, organogram, human resources and communities, housing and infrastructure, rain fall, FFB's production, productive plantations, nursery, traction/transport, general cost, production cost, material stock, capital, security and personnel's social and environment aspects, as well as duty travel.

Document's review and interview with management unit revealed that Alur Dumai Factory does not receive FFB from third party.

**Status: Comply**

#### 4.2

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

Company takes various actions in order to maintain soil's fertility, including:

- Conducting fertilization based on recommendation.  
Company has fertilization recommendation in 2015 – 2016 based on *Minamas Research Station* (MRC)'s soil and leaf analysis result. For instance, recommendation at block F006 Division III (with a broad of 71.87 Ha SPH 136) fertilization requirement for CCM44 is 5.44 kg/tree. Moreover, based on field observation and interview with supervisor and fertilization team, the fertilizer application has been inline with the required dose and it has been applied by using the calibrated-sprayers.
- Empty fruit bunches application  
Empty fruit bunches were applied, particularly in non-productive area with a dose of 40 Ton/Ha. Field observation in block J008 Division III shows that empty fruit bunches was applied in newly transplanted plantation. The arrangement of empty fruit bunches is using spiral shape that covers the disc in order to minimize inoculation of horn beetle *Oryctes rhinoceros*. This practice has been inline with the applicable fertilization SOP, particularly the inorganic fertilization.
- Liquid waste application  
Based on observation and interview with field application personnel, its known that the liquid application area at block G011 and F010 from June to October 2015 was about 13,630 m<sup>3</sup> (average/hours 43.69 m<sup>3</sup> with documented debit application has been periodically documented in land application book).

The entire fertilization usage, both for organic and inorganic fertilizer have been digitally documented in SAP system and physically recorded in supervisor daily report as well as in estate unit monthly report (manager's report).

Company has documented its soil and leaf analysis activity in each estate. Based on MRC procedure, soil analysis is conducted periodically every 5 years. Meanwhile the leaf analysis is conducted annually. Soil and leaf analysis have been drafted as part of fertilization dose and fertilization type guideline. In addition, company has the record for its soil and leaf analysis, such as:

- Soil analysis from 2011 to 2016. The analysis was conducted to examine soil's chemical material, such as kation exchange capacity (KTK), basa level (KB), C-organic, the P<sub>2</sub>O<sub>5</sub> and K<sub>2</sub>O components. Soil analysis result revealed that soil fertility was divided into poor fertility ( $\pm 46\%$ ), low fertility ( $\pm 24\%$ ) and medium fertility ( $\pm 30\%$ ).
- The leaf analysis sample picking was conducted on 11<sup>th</sup> – 19<sup>th</sup> July 2014 for period 2015 – 2016 with the examination result from MRC on 3<sup>rd</sup> September 2015. The examined parameters in leaf sample analysis such as Ash, N, P, K, Mg, Ca, Mn, Cu, Fe, Zn and B.

Based on interview with operation personnel, MRC takes sample and examines the sample periodically. Soil and leaf analysis result become the basis to set annual recommendation dose.

**Status: Comply**

#### 4.3

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

PT LTS has fragile soil map, which is stated in semi detail soil survey from Param Agriculture Soil Surveys and survey of the depth of peat area from MRC. Based on this document, there is a marginal soil in a form of peat area that covers 96.67 Ha in Division I (cultivated year 2005) with a depth of >3 meters (20%) and <3 meters (80%). Company has drafted peat management program based on SOP for water management in beach area and cultivation in peat area (SOP No Policy 110/EST-ARM/13). Peat management activity is explained in procedures, such as the establishment of



disc, the sustaining surface water level between 50 – 75 cm, the installation of piezometer and so forth. Based on field visit in peat area at block D13 and E15 there were manual water gate and piezo meter, however there was no subsidence stake to monitor the decrease on peat surface based on the applicable regulation. Based on the aforementioned explanation, hence there is **non-compliance No. 2015.2 with major grade**.

Document's review and field visit revealed that the topography are within PT LTS is vary, from *level to undulating* with a sloping <40%. Subsequently, company makes special treatment, such as establishing contour terrace and cultivating nut vegetation as well as establishing silt pit. Field visit in block J008 Division III revealed that company established contour terrace, cultivated nut vegetation and applied empty fruit bunch. This finding has been inline with the applicable agronomic manual reference for palm oil cultivation No. Policy; 110/EST-ARM/13 and guideline for sustainable palm oil plantation No 724/TQEM-SPMS/09.

Company has road and bridge maintenance program, which stated in annual work plan. Estate manager is person in charge to develop the annual work plan. For instance, heavy equipment (*road greeder*) for road construction, road and bridge manual maintenance. Based on field observation in block F005 Division III, there was an on-going road maintenance activity by using *road greeder* to ensure road in a good condition as well as to make the transportation for FFB easier.

Based on document' review, the area that was identified as peat area is the area that was cultivated in 2005. Subsequently, there is no replanting plan for this area.

<b>4.3.4</b>	<b>Status: Non-compliance No. 2015.2 with major grade.</b>
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**4.4**
**Practices maintain the quality and availability of surface and ground water.**

The management of Minamas Plantation has a policy to protect water flow and wetland including protecting riparian area, which is stated in memorandum document No POD-UM-061/IV/2010 from Head of Plantation.

The environment management plan and environment monitoring plan as well as HCV identification report indicate that the existing water flow within PT LTS comes from hot water source in block N001. Apart from this water source, there is no river within PT LTS's operation area. Most of the water flow in estate area comes from seasonal trench, which get the water during dry seasons. The management of water source is conducted by setting the riparian area on radius 200 m or abroad of 12.57 hectare. Within this area, there are enrichment activity and installment of prohibition board.

The environment management plan and environment monitoring plan state that plantation personnel utilize soil water for domestic usage. The management of soil water is conducted by establishing water well through examination and monitoring over soil water's quality. Based on the examination in semester 1 in 2015 there are no parameters above the required standard threshold.

The generated liquid waste from mill's activity in IPAL is processed before being applied to estate area. Document's review shows that BOD for liquid waste is being monitored every month. The examination over liquid waste's quality is conducted in final-spot effluent by Public Work Laboratory in Riau Province (accreditation: LP-750-IDN). The last 3 months reports (July - September 2015) highlight that the entire examination parameters are inline with standard threshold.

The utilized-water for mill's operation activity is being periodically monitored. Based on field observation in mill's area, the management unit has measured water utilization for mill's operation activity as well as for domestic utilization by using the installed *flowmeter* in dam and di *water treatment plant* (WTP). The operator of WTP could present daily documentation over water volume. Document review showed that water utilization in mill was below the budget (1.5M<sup>3</sup> air /Ton FFB).

<b>Status: Comply</b>
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**4.5**
**Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated**

**Pest Management techniques.**

Company has a mechanism to prevent pests and disease through *Early Warning system/EWS*, which was conducted by personnel in the field. EWS result will become the basis for census activity, in order to determine the necessary actions. Company has developed holistic pest and disease control, such as:

1. Training on managing horn beetle (*Oryctes sp*)
2. Cultivation of beneficial plant
3. Training on managing pocket caterpillar by using trunk injection
4. Monitoring on *barn owl box*.
5. Monitoring on pests and disease every 3 months.

Based on document's review, the main pests in PT LTS estate are pocket caterpillar, rats and horn beetle. The 3 months periodic pest census revealed pest attacks was under the economic threshold (<5%). Company has conducted early warning system by cultivating and maintaining *Turnera subulata*, *Antigonon leptosus* and *Casia cobanensis*. Moreover company uses natural predator such as owl to control rat attack. Document's verification and field visit show that there are 60 barn owl huts with 53 active barn owl huts at present. Based on field visit in Division II, there is a need to add the number of *beneficial plant* in company's operation area. **OFI**

Company has set training program on holistic pest and disease control for period 2014 – 2015. For instance:

1. Training on horn beetle control by using chemical approach, such as utilizing pesticide with an active *Cypermethrin* material. Module of the training was about PPE's utilization.
2. Training on pocket caterpillar control by applying *trunk injection* in August 2015, which was facilitated by pesticide suppliers.
3. Training on cultivating *beneficial plant* on 12<sup>th</sup> October 2015, which was attended by 5 personnel.

**Status: OFI**

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

Company through MRC has conducted study on selecting an effective pesticide to control disease and weed. The study on narrow spectrum selection of pesticide in order to minimize the negative impact apart from the targeted species. Document's review and field observation at pesticide warehouse showed that company used registered-pesticide, which is listed on WHO class 1A and 1B such as brodifacoum or paraquat. In order to reduce the utilization of pesticide, company has combined the control mechanism by using mechanic, biology and chemical approach. Mechanic control was conducted by using manual method, the biology control was using natural predators and chemical control was using

Company documented the pesticide toxicity monitoring result in "Monitoring Pesticide Usage per Hectare and per Ton FFB Production in 2015 – 2016". The documentation explains the type of pesticide, active material, and number of utilization per hectare, number of utilization per ton FFB and the applied area. PSQM personnel updated the monitoring report over pesticide toxicity every month. For instance, the utilization of pesticide with an active *Isopropyl Amina glifosat* material in July – September amount 0.00000050109 gram/ton FFB with total production amount 14,383,290 kg and the applied road area was 2,702 Ha.

Company has set the budget to control pest and weed. Moreover, there are records and realization of chemical disc with 3 times rotation in a year for productive plantation and 12 times a year for un-productive plantation. The utilized dose is 0.25 liter per Ha. Number of utilization in October 2014 amount 274.4 liter (*Isopropyl aminaglifosat*) and *fluoroxypir* 0.06 kg/Ha. Total utilization is 0.1 kg/Ha.

During field visit in block G005 Division II, supervisor and personnel could demonstrate the correct pesticide application, such as should wear PPE, spraying should be inline with air direction and nozzle should be pointed no more that adult's hips, and should be inline with the recommended dose. Interview with personnel revealed that company provided PPE and PPE will be replaced if broken. Supervisor and personnel understood first aid mechanism for pesticide poisoning case, which based on MSDS. Apart from the aforementioned trainings, the spraying teams have been equipped with:

1. MSDS to identified the characteristic of chemical material in order to manage poisoning case.
2. The completeness of first aid kits in case of poisoning.
3. Supervisor always carries HIRAC document and work instruction as guidelines for work activities in the field.

Based o field visit to agrochemical warehouse, it is known that the entire used-agrochemicals have been separately stored from other materials. Moreover, warehouse agrochemical has been completed with PPE, occupational health and safety symbols, *emergency shower*, *eye washer* and MSDS. Material arrangement in agrochemical warehouse has separated solid and liquid material. Used-pesticide package is managed by washing the used package, making a hole in the package, furthermore putting the used-packaged inside the hazardous waste warehouse. Based on explanation from senior assistant in Alur Dumai Estate, its known that used-pesticide packages, which are still in good condition, are being used to carry poison or other chemical materials before land application. Interview with residence in housing Division 2 Alur Dumai Estate showed that residents are prohibited and understood that used-pesticide packages can not be used for other utilization apart from carry other poisonous material.

Based on document's review and interview with estate operation's personnel, there were no pesticide applications from air within PT LTS's estate area.

Company has conducted periodic medical examination for chemical application personnel who work in a high-risk condition on 23<sup>rd</sup> May 2015. Thamrin Clinic is the third party who conducted medical examination. Based on document's review and interview with company's physician, its known that the entire personnel who work closely with chemical material are healthy and fit to work.

Company has a policy that prohibits pregnant and lactating personnel to work with chemical material. Based on interview with spraying personnel in Division II Alur Dumai Estate, it is known that there were neither pregnant nor lactating female personnel who work with pesticide. Moreover, company conducts pregnancy test and examination every month. Finally, audit team also got information that personnel have understood that female personnel cannot work with chemical material if they are pregnant or lactating.

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

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

There is no revision over occupational health and safety policy in PT LTS. The policy has been implemented based on the applicable regulation. Field visit and interview in mill and estate revealed that the occupational health and safety has been socialized and implemented by company through:

- Socialization with personnel during morning briefing of briefing before work.
- Granting and utilization of PPE in estate and mill based on risk analysis.
- Periodic medical examination, particularly for high risk personnel
- Installation of occupaional health and safety symbols. For instance in housing, warehose and mill
- Fulfilling the occupaional health and safety facility and infrastructure such as first aid kits, fire extinguisher and so forth
- Training on occupaional health and safety aspects.

Company has conducted periodic meeting for guiding committee of occupational health and safety in order to ensure the occupational health and safety policy has been effectively implemented, improved and sustainably renewed.

Company has set the risk analysis for occupational health and safety in estate and mill in HIRAC document. The document explains the entire aspects in estate and mill such as the risk as well as the preventive actions. Based on interview with mill and estate personnel, personnel have understood the risk potential. Moreover, field visit in mill revealed that each station has an installed HIRAC document. Company presented HIRAC socialization evidence. For instance the socialization on 23<sup>rd</sup> September 2015 in Alur Dumai Factory. However, based on field visit to estate and mill, there are MSDS document in English language. Hence there is risk document, which personnel cannot understand. Subsequently, the audit team urges company to provide MSDS in bahasa language, which can be easily understood by personnel. **OFI**

Company presented documentation over training on occupational health and safety and occupational health and safety implementation in estate and mill. Interview with mill and estate's personnel revealed that company has delivered training to improve personnel capacity and knowledge. Moreover, personnel have understood their duties and responsibilities. For instance spraying personnel understood safe work procedure such as the utilization of PPE and consideration over wind direction.

Based on field visit in estate and mill and interview with personnel, it is known that the management unit has provided PPE for personnel. For instance, PPE for harvesting personnel such as safety shoes, helmet, spectacles and gloves. Company presented the evidence of PPE's hand over. In addition, interview with spraying personnel in Division II revealed that company would substitute or replace the PPE if there is a damage or broken on previous PPE. Moreover, company has a commitment to comply the applicable occupational health and safety procedure, such as:

- Ministry of Manpower, Transmigration and Cooperative Decree No. 01 in 1976 regarding the responsibility to take Hiperkes training for company's physician.
- Ministry of Manpower and Transmigration Decree No. 01 in 1979 regarding the responsibility to take Hiperkes training for company's paramedics.
- Ministry of Manpower Decree No. 01 in 1988 regarding the qualification and requirement for steam engine operators.
- Ministry of Manpower and Transmigration Decree No. 09 in 2010 regarding to lift and transport vehicle's operators.
- Ministry of Manpower and Transmigration Decree No. 04 in 1985 regarding to energy and production vehicle.
- Ministry of Manpower and Transmigration Decree no. 02 in 1982 regarding to welder's qualification in work place.

The management unit has guiding committee for occupational health and safety organization and personnel in charge on implementing the occupational health and safety program. The interview result with Manpower and Transmigration Agency in Rokan Hilir District revealed that the management unit has submitted the guiding committee for occupational health and safety report periodically every 3 months. The guiding committee for occupational health and safety report covers the entire occupational health and safety activity within company's operation activity.

Company has a procedure for emergency response, for instance the SOP for preventing and managing fire, SOP for preparedness and emergency response, SOP for preventing and managing explosion, SOP for handling work accident. Based on field visit, company has pointed the evacuation path and concentration point in order to smooth the evacuation process in emergency situation. The evacuation path is available in office and mill and has been completed with map and other *signboards*. Visitor will receive *safety induction* as occupational health and safety guideline.

Company delivered training on first aid on 26<sup>th</sup> November 2014, which was followed by 38 participants, including personnel, supervisor, medical personnel, security personnel, assistant and manager, in order to ensure the entire personnel understand and able to deliver first aid in case of emergency. Moreover, field visit also revealed that supervisor was carrying first aid kits during his work in the field, and mill was also completed with first aid kits. Based on interview with supervisor, it is known that he understood the first aid mechanism in case of emergency. However, company needs to re-evaluate the completeness of first aid kits. **OFI**

The management unit provided accident insurance for personnel based on the applicable regulation. The insurance such as manpower insurance, which periodically paid every month to national social insurance for manpower/ BPJS. Meanwhile, for medical insurance, PT LTS has registered its entire personnel in manpower medical insurance/ BPJS. Based on interview with some personnel, it is known that the entire personnel have been registered in manpower medical insurance/ BPJS. Moreover, interview with contractor revealed that contractor's personnel have also registered in manpower insurance/ BPJS.

Company is consistently conducting monitoring over work accident, which reports the complete information about accident, such as the month of the accident, number of case, the accident's location, type of accidents, the impact, working hour losses, the source of accident, follow up action and result. Monitoring over work accident is conducted every month. The verification over document showed that in 2015 until the surveillance activity, there were no accidents both in estate and in mill.

**Status: OFI**

**4.8**
**All staff, workers, smallholders and contractors are appropriately trained.**

Company presented training calendar for Minamas Plantation in 2015 – 2016 (July 2015 – June 2016). The document covers some competency focuses that need to be enhanced. Such as:

1. Leadership competencies. For senior assistant. Training schedule has been allocated.
2. Functional training. For estate and mill personnel, head of Section and Administration for refreshing.
3. Regulatory compliance certification. Training on estate's certification. For instance, occupational health and safety expert certification, supply chain, hiperkes for medical team, license for heavy equipment operators and welders.
4. Induction training.
5. Manager/Assistant conference.

For field personnel, company has allocated special training to maintain their competency (refers to indicator 4.5.2). Apart from that, assistant and supervisor delivered safety briefing in a form of proper and safety working technic for the entire personnel during morning briefing. Company presented training implementation evidence to auditor, in a form of minute of training, module, photos, attendance sheet that completed with signature from participants, evaluation and certificate for participants.

**Status: Comply**

**PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**
**5.1**
**Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

PT LTS has conducted impact analysis, during the first development of the plantation, in a form of environment impact analysis, which has been approved by Ministry of Agriculture of Republic of Indonesia No: RC.220/887/BV/1994 on 19<sup>th</sup> May 1994. Scope of the analysis was 8,000 Ha of palm oil estate; mill with 30 ton FFB/hours capacity and 5,500 Ha of rubber plantation; as well as mill with a capacity of 400 ton/RSS-I/months. PT LTS made a revision over its environment management plan and environment-monitoring plan, which has been drafted in 2008 due to conversion over its activity. The revision has been approved by Head of Environment Agency in Rokan Hilir District with Decree No. 666.1/AMDAL-BAPEDALDA/2008/63 on 16<sup>th</sup> April 2008. Scope of this document is 3.759,014 Ha of palm oil estate and mill with a capacity of 15 ton FFB/Hours.

As part of the imlementation, there are environment management plan report and environment monitoring plan report, which have been submitted regularly to related agencies. PT LTS presented its environment management plan report and environment monitoring plan report for semester 1 in 2015, which have been submitted to National Land Agency in Rokan Hilir District on 15<sup>th</sup> September 2015. Consultation with National Land Agency in Rokan Hilir District revealed that PT LTS has submitted its environment management plans report and environment monitoring plan report periodically and there is no pollution issue due to company's operation activities.

Related to wavy area, company needs to monitor the erosion on terrace area. **OFI**

**Status: OFI**

**5.2**
**The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced**

Compnay has conducted HCV identification from 16<sup>th</sup> November 2009 to 21<sup>st</sup> November 2009. The identification identified list if natural vegetation and wildlife in estate and HCV area. The HCV area consists of 89.68 ha area that divided into: HCV 1.1 , HCV 1.2, HCV 1.3, HCV 1.4, and HCV 2.3. The identification of HCV area has underwent a *public hearing* process on 8<sup>th</sup> January 2010, which was attended by 28 personnel who represented local communities and local government.

Based on the report, PT LTS has 53 types of natural vegetation (tree and under crop) and 62 types of wildlife (consists of 52 types of bird, 6 types of mammal, and 4 types of reptile). However, the identification over aquatic species has not



been conducted. Some types of wildlife are included in list of Appendix II CITES, such as: 6 types of bird, which consists of *baza hitam* (*Aviceda leuphotes*), *elang tikus* (*Elanus caeruleus*), *elang ular bido* (*Spilornis cheela*), *betet ekor panjang* (*Psittacula longicauda*), *serak jawal owl* (*Tyto alba*), and *kangkareng perut putih* (*Anthracoseros albirostris*); 3 types of mammal such as *monyet ekor panjang* (*Macaca fascicularis*), *monyet beruk* (*Macaca nemestrina*), and *lutung* (*Presbytis femoralis*); and 3 types of reptile, such as: *biawak* (*Varanus salvator*), *ular pyton* (*Python sp.*), and *ular kobra* (*Naja sp.*); as well as 2 types of wildlife that being identified in the list of Appendix I CITES, such as *kucing hutan* (*Prionailurus bengalensis*) and *buaya senyulong* (*Tomistoma schlegelii*).

Document's review and interview with the management are supported with field visit. Moreover, company conducted various management activities, such as:

- Monitoring the condition of wildlife periodically every month.
- Establishing and monitoring the condition of HCV signboards
- Establishing boundary board in HCV area by making trench or paint as boundary marks.
- Cultivating in HCV area. The cultivated plantation such as *jambu-jambu*, *pulai* and *beringin*.
- Conducting socialization to its personnel periodically.
- Submitting the HCV monitoring report to BKSDA of Rokan Hilir District, for instance on 21<sup>st</sup> October 2015 for period June – September 2015

Company needs to ensure that the HCV area has been managed based on management plan. **OFI**

Company made various efforts to socialize and introduce HCV area to its personnel. For instance:

**a. HCV Training or Socialization**

Company conducted socialization for HCV area on 16<sup>th</sup> October 2015. Based on interview result with local communities and personnel, its known that they understood the existence of HCV area and the existence of protected wildlife within company's operation area.

**b. The installation of Poster / Signboard**

Based on the installation of signboard, there are 16 installed-signboards in the entire estate area, which consists of: signboard for protected area (4 units), signboards for introducing the HCV area (6 units), prohibition to hunt and poison (3 units), signboards for introducing wavy area 40% (1 unit), and signboard for air's purity (1 unit). (Refers to indicator 5.2.2)

**c. HCV Maintenance Officers**

Company has HCV maintenance officers: based on Decree from ADE manager no. LTS/RSPO/016/09/2013 on 1<sup>st</sup> September 2013. HCV personnel attended HCV training on 9<sup>th</sup> September 2013 in Alur Dumai Estate.

Document's verification, field visit and interview with local communities revealed that there is no HCV area that related and affected local communities.

**Status: OFI**

**5.3**

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

There is a document 'identification on hazardous waste and non-hazarduouse waste' that identified the source of waste and its management. Source of waste is separated based on its location, whether in office, housing, workshop, and mill's activity. The document stated the direction for waste management, such as: (1) hazardous waste will be delivered to licensed third party, as stated in SOP No. 017/LTS-PB3/09 regarding the SOP for hazardous waste management. (2) Effluent waste will be pumped to *cooling pond* applied to esate area (*land application*) as stated in SOP on *Effluent Treatment Plant*. (3) Fiber and shell waste will be utilized as boiler fuel, (4) Domestic waste from household will be disposed to special landfill periodically.

Based on field visit, its known that:

- Hazardous waste has been stored in licensed Temporary Hazardous Waste Landfill in Alur Dumai Factory. There are balance sheet and hazardous waste logbook, which furthermore will be delivered to licensed waste collector (CV Amindy Barokah)
- Domestic waste from household will be disposed to special final landfill, however field visit to special final landfill in



Division 2 revealed that domestic waste has been collected and disposed to special final landfill every day. There is person in charge to manage the waste.

- Effluent waste was flowed as part of land application in Division 1.
- Fiber and shell waste were utilized as boiler fuel (refers to indicator 5.4.1)
- Empty fruit bunch was applied to the estate area, particularly in non-productive plantation area with a dose of 40 ton/Ha
- Infectious waste was sent to Indah Hospital in Bagan Batu

For hazardous waste, there is SOP for managing hazardous waste in a form of SOP No. 017/LTS-PB3/09 related to the management of hazardous waste. The stated management approach in SOP has been referred to the applicable regulations. As part of the implementation, company has had licensed-hazardous waste landfill based on Decree from Environment Impact Management Bureau in Rokan Hilir District No. 25/BPDL/2011 on 5<sup>th</sup> July 2011. Untuk monitoring, Company has monthly hazardous waste record, which stated in hazardous waste logbook in landfill as well as hazardous waste balance sheet for used-pesticide packages to monitor waste. Moreover, this record is periodically submitted every 6 months to related agencies.

However, based on field visit to generator hut in Division II, there were hazardous wastes in a form of used-oil package, that being stored behind generator hut. This finding was not inline with the applicable procedure based on SOP for hazardous waste management No. 17/LTS-PB3/09. Based on the aforementioned explanation there is **non-compliance No 2015.3 with minor grade**.

<b>5.3.3</b>	<b>Status: Non-compliance No 2015.3 with minor grade.</b>
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#### 5.4

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

Company has conducted efficiency efforts to reduce the utilization of diesel fuel, such as by utilizing shell and fiber as boiler fuel. Based on monitoring in September 2015, shell and fiber generated energy in a turbine amount 224,924 Kwh or 423.43 Kwh/Ton of shell and fiber. With the utilization of renewable energy, company saved diesel utilization amount 80,798 Liter or 78.4% in September 2015.

Company has monitored the utilization of diesel fuel in Estate and diesel fuel utilization by contractor. Document review revealed that diesel fuel utilization was under company's projected budget.

	<b>Status: Comply</b>
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#### 5.5

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

Company has had the *Zero Burning* policy, which is stated in PT LTS plantation activity, such as in Policy No. 724/TQEM-SPMS/09 point 5.7.2. Company also regulates the mechanism for land clearing with zero burning approach, which is stated in Agronomic Manual Reference No. 110/EST-ARM/08 part 4 land preparation clause 3.1 points (b) that land clearing should be based on General Director of Plantation Decree No. KB.110/SK/DJ BUN/05.95 on 30<sup>th</sup> May 1995.

Based on field observation, especially in replanting area at Block L007 Division III, there were activities such as cutting, mincing, stacking and roots apart. The entire activities were using the mechanic principle by using heavy equipment with *zero burning* approach and there was no sign of fire utilization for land clearing activity. Subsequently, company does not need to draft study on fire utilization on land clearing activity.

	<b>Status: Comply</b>
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#### 5.6

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

In order to reduce emission, company conducted identification over pollution and emission as well as the management

activities. The management unit conducted examination over working tools periodically, utilized solid waste (shell) as boiler's fuel, utilized solid waste (empty fruit bunch) as fertilizer in non-productive plantation area and utilized liquid waste for land application in order to reduce pollution and emission.

Field observation at WWTP pond in Alur Dumai Mill showed there is no indication of leakage in IPAL pond and flowmeter in outlet of IPAL pond is in good condition. Liquid waste is utilized for land application based on the applicable regulation and based on the applicable license. Field visit to block F010 division I Alur Dumai Estate revealed that LA activity in permitted-block has been inline with the applicable regulation. Monitoring over the quality of liquid waste has been conducted every month and there were no parameters above the standard threshold. For instance BOD in September 270 mg/l (< BM 5000 mg/l).

Field observation in Alur Dumai Mill, for instance in engine room and boiler station, showed that personnel have worn PPE, such as mask, safety spectacles and ear muff. Monitoring related to the quality of air emission, ambient, noise and smell was conducted every semester and has been periodically reported through environment management plan report and environment monitoring plan report to related agencies. Periodic examination showed that for period semester 1 in 2015, the entire parameters, which related to air emission and ambient were below standard quality. For instance opacity for boiler 1 amount 17 % (<BM 30 %), noise in machine room 95 dBA (> BM 85 dBA) and company made it mandatory for the entire personnel to wear PPE, such as ear plug and ear muff.

PT LTS has reported its GRK emission's calculation for period 2009-2014 to RSPO through email to melissa.chin@rspo.org on 15<sup>th</sup> October 2015. The report consists information, such as:

- Total emission from Alur Dumai estate due to fertilizer, heavy equipment and transport, machine, and electricity utilization for period 2009 - 2014 was 7,020.63 tCO<sub>2</sub>e
- Total emission from Dumai Mill due to boiler activity, waste management, heavy equipment, transport and generator for period 2009 - 2014 was 7,2130.49 tCO<sub>2</sub>e

However, company could not present the calculation result and GRK report, which have been conducted based on PalmGHG calculation version 2.1.1. Hence, based on the aforementioned explanation, there is **non-compliance No 2015.4 with minor grade**.

**5.6.3 Status: non-compliance No 2015.4 with minor grade.**

**PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills**

### 6.1

**Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.**

Company has social impact analysis document over its palm oil plantation management in 2010. The document analyzed the positive and negative impacts of plantation activity.

Positive impacts, such as:

- Development of local economic through personnel purchase within the area that will contribute to local revenue
- Working opportunity and entrepreneurship opportunity for local communities that reduces the number of unemployment and increases local communities' welfare.
- Increasing the accessibility of surrounding area, the availability of road access, which will increase local communities' welfare in a form of easier transportation access, the utilization of local resources and so forth.
- Enhancing interaction with outsiders. This interaction could increase work ethic among local communities, technology absorption, point of view, including acculturation between outsiders and local communities.

Negative impacts, such as:

- Interaction with outsiders could generate conflict due to culture, point of view and land utilization difference.
- Work opportunity could increase the human resource gap between local communities and outsiders, which can lead

to jealousy between local personnel and personnel who came from other areas.

- The increase on accessibility could increase the utilization of resources, which could also increase the utilization of resources gap between local communities and personnel who came from other areas.

PT LTS conducted social impact analysis over its palm oil plantation in January 2010. Pollito was institution in charge, which conducted the social impact analysis. The social impact analysis discuss various issues, such as:

- Location and time
- Economic facility for PT LTS area and utilization of natural resources and household's economic
- Analysis over activity in production area, maintenance, land clearance and cultivation
- Local traditions and culture
- Welfare, which consists of educational facilities, religion, health personnel and other medical support facilities.
- The accessibility of area, related to transportation.

Company has a brief summary on replanting impact toward environment and social aspect on 04<sup>th</sup> December 2014 by Aksenta. The document states study result over communities and manpower's social condition as well as positive and negative impacts due to replanting activities, such as:

- Positive impact from replanting activity such as entrepreneurship opportunity for local communities as vendor, who provides service for company (including, vendor for *pancang* work, vendor to cultivate nut vegetation and vendor to cultivate palm oil)
- Negative impact from replanting activity such as degradation on environment physical condition, which can be minimized through soil and water conservation efforts (establishing terrace and gully plug)
- There is an area for livestock beside the block, which will be replanted.
- There are no personnel, who lost their job due to replanting activity.

Company conducted Social Impact Assessment (SIA) including the documentation notes from the meetings.

PT LTS's Social Impact Assessment involved local communities and other stakeholders, such as community leader in *Kepenghulan Pondok Keresek*. There is a visum book for HCV identification activity and social impact assessment on palm oil plantation with RSPO scheme, which becomes an attachment on SIA document. 41 participants who represented communities from *kepenghulan Pondok Keresek* signed attendance sheet for discussion in *kepenghulan pondok keresek* on 04<sup>th</sup> December 2009.

Based on document's verification over the brief summary of replanting activity impact on environment and social aspect in PT LTS, which was conducted by Aksenta on 04<sup>th</sup> December 2014, there are general recommendations, such as:

- Replanting activity has been conducted based on SOP and Minamas Company's regulation.
- Establishing terrace in sloping area  $>6^\circ$  based on SOP or based on recommendation from minamas research team
- Preparing LCC nursery before preparing land in replanting area in order to ensure LCC cultivation can be done in time and to avoid long-term exposure of an open area.
- Ensuring no creek has water flow problem during land clearing activities.
- Ensuring contractor knows the boundary of communities' plantation area, which located side by side with replanting area in order to avoid conflict with local communities.

Company has a program to manage its social and environment aspect in 2015-2016 based on recommendation from Aksenta. Social team developed the program and estate manager approved it on 27<sup>th</sup> Augustus 2015. The program has various activities, such as:

- Has been inline with SOP and minamas's regulation
- Company has established terrace in replanting area, particularly for area with slope  $>6^\circ$  based on Minamas SOP. Moreover, company has coordinated with Minamas research team to establish roads in terrace area.
- LCC has been prepared at least 3 weeks before cultivated in replanting area
- Company is always washing the river during land preparation.
- Boundary between estate area and local communities' plantation is clear, which is marked by National Land Agency stakes and boundary trenches.

Company has a plan related to social impact from company's activity. Company in collaboration with related stakeholders developed the plan. Company has distributed questioner to the affected groups, such as local communities. The questioner consists of questions such as road condition and road access, social interaction between company and local communities, complain mechanism, CSR, education, religion and income. Moreover, company also has questioner's recapitulation with result such as:

- Company will maintain its communication with local communities, particularly for work opportunity in mill and estate
- Company's existence will bring positive impact to local communities
- Company will increase its socialization activity and meeting for communication and consultation medium.
- Company will always and proactively response the incoming complaint from local communities and conducts consultation with related stakeholders.
- Company will optimize its assistance for local communities, whether in a form of CSR or not.

Company does not provide special attention to impacts on plasma plantation scheme, because company does not have the plasma plantation scheme.

<b>Status: Comply</b>
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## 6.2

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

Company has list of stakeholder in 2015, which explains the name of institution/ companies, name, address, and email and phone number. There are some category for stakeholder, for instance: Supplier/contractors have 34 stakeholders, CPO purchase, kernel and transport have 7 stakeholders, Health Agency has 5 stakeholders, community leaders have 15 stakeholders, NGOs have 2 stakeholders, community's organizations have 3 stakeholders, bank has 4 stakeholders, education has 9 stakeholders, surrounding companies have 2 stakeholders, provincial government has 1 stakeholder, Transportation Agency, Plantation Agency has 3 stakeholders, National Land Agency has 2 stakeholders, Manpower Agency has 3 stakeholders, Environment Agency has 4 stakeholders, local BKPM has 2 stakeholders, local revenue agency, head of GAPKI, head of GAPKI Riau, CEO of BKS-PPS and PT Jamsostek – Cabang Dumai.

Company appointed PIC to update list of stakeholders, which is administrative personnel, who coordinates with Assistant Division II from social division. Based on interview with PIC, list of stakeholders is updated every month by following the update from each stakeholder. The updating process is conducted by using oral conversation, both through mobile phone conversation or direct conversation.

In addition, company also appointed team leader for social SPO, who is the Assistant Division III with appointment letter No. LTS/SPO/004/05/2014/S on 14<sup>th</sup> March 2015. The appointment letter states list of responsibilities that should be done, such as:

- Ensuring and coordinating team to complete related social documents based on SPO criteria.
- Ensuring and coordinating team to manage complains from communities, based on SPO criteria.
- Ensuring and coordinating team to complete and to develop communication and good relation with personnel, local communities and other stakeholders based on SPO criteria.

Based on interview with representative from Pondok Keresek Village and Sri Kayangan Village, company socialized communication and consultation mechanism on 05<sup>th</sup> October 2015. Representative from both villages have understood the stages from communication and consultation mechanism.

Company has letter in and letter out document for local communities. The letters are kept in monitoring book, which stored information from local communities. There is a form of communications, such as grants proposal, which has responded by company. Whether company will grant assistance or not, company will provide its response.

PT LTS need to improve communication intensity between company's representative (communication and consultation personnel/company's leader) with local communities. **OFI.**

<b>Status: OFI</b>
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**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.**

Company has a procedure for managing complains from local communities (005/LTS-PKM/09), which valid since 02<sup>nd</sup> April 2009. This procedure is a guideline to manage complaints from local communities, which are pointed to each operation unit. There is a flow chart in the procedure, which explains the duration to provide response over communities' complaints, which are 1-2 weeks (if the answer only need to be done by Unit manager) and 1-2 weeks (if the answer only need to be done by Head of Department). Company also stated the flow chart in SOP for complains management, with an effective duration for responding complains is 1-2 weeks.

Company also has SOP for personnel compliant No. 006/LTS-PKK/09, rev.00, dated 02<sup>nd</sup> April 2009. The SOP has a procedure to manage complain from personnel, in a form of flow chard with duration to response complain is 1-2 weeks.

SOP for complaint stated response mechanism. If the complaint is under the responsibility of unit manager, hence unit manager gives response directly. However, in case the complaint cannot be handle by unit manager, then the complain will be submitted to worker union. Worker union facilitates complaint resolution through LKS bipartite. The agreement in LKS bipartite is submitted to unit manager, further to head department to get an agreement. The unit manager sends the answer letter. In coming and outgoing letter to and/or from operation unit is kept in capital office.

Based on interview result with representative from Pondok Kereseak and Sri Kayangan Village, company has socialized the mechanism for complaint submission. The representative from both villages have understood the staged of communication and consultation mechanism.

Company has conducted socialization on SOP for community's complaints on 06<sup>th</sup> July 2015, which was attended by village representatives, village communities, and communities' leaders. The socialization of SOP for personnel' complaints also has been conducted on 05<sup>th</sup> October 2015.

Company could no presented the mechanism related to whistleblower protection. **Based on the aforementioned issues, there is non-compliance No. 2015.4 with major grade.**

Company has monitoring book for community and personnel complaint. This book informs date, name, position, signature, complaint/description and notes. The incoming complain will be recorded in the book by assistant and he will be helped by division clerk. There are 14 written complaints in 2015. The management unit knows the implementation of audit and the entire process.

<b>6.3.1</b>	<b>Status: Non-compliance No. 2015.5 with major grade.</b>
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**6.4**

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

Company has SOP for land compensation payment (024LTS-PGR/10) on 20<sup>th</sup> October 2010, which explains the identification pricess and fair compensation calculation that involving local communities and related agencies.

Document's review and interview with PT LTS management revealed that the latest land compensation by PT LTS was conducted in 2008. From ASA-3 to ASA-4, PT LTS did not make any land compensation process.

<b>Status: Comply</b>
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**6.5**

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

PT LTS paid its personnel' salary based on Riau Governor Decree Number: Kpts. 244/III/2015 on 31<sup>st</sup> March 2015 related to UMSP for agriculture and plantation (coconut, palm oil and rubber) sector in Riau Province in 2015. The decree regulates the UMSP for Riau province, amount IDR. 2,125,500. Meanwhile, company's follow-up action over



Governor Decree is in a form of Memorandum number: 182/HRM-i3/IV/2015 on 8<sup>th</sup> April 2015 regarding to daily SKU wage and monthly SKU wage in 2015, which was approved by GM HRM. The memorandum regulates the increase of wage, and the lowest wage for monthly SKU personnel is IDR. 2,054,240 based on each type and wage for daily SHU personnel is IDR. 2,000,250/months with rice allowance amount 15 kg or IDR. 125,250.

Based on personnel salary list in September 2015, Alur Dumai Mill and Alur Dumai Estate have paid salary based on the aforementioned regulation. Interview with personnel revealed that they received salary based on government regulation. Moreover, interview with contractor also revealed that they received salary no less than government regulation's amount.

Company can present work agreement (PKB) 2015 – 2017 between Sumatera Plantation Coordination Bureau/ *Badan Kerjasama Perusahaan Perkebunan Sumatera* (BKS-PPS) and Indonesia Worker Union Federation for Agriculture and Plantation sector/ *Pengurus Pusat Federasi Serikat Pekerja Pertanian Dan Perkebunan Serikat Pekerja Seluruh Indonesia*, which has been approved by Director General of Industrial relation and social insurance for manpower/ *Hubungan Industrial dan Jaminan Sosial Tenaga Kerja*, with decree number: Kep. 88/PHIJSK-PKKAD/PKB/2015 on 18<sup>th</sup> June 2015 that valid for 2 years. Work agreement has been written in easy to understand language (in bahasa language) and explained responsibility and right of both company and personnel.

Company also presented similar contract for contractual based-personnel (PKWT/ work contract with certain duration), which is stated in easy to understand language (in bahasa language) and is signed by both parties (company and personnel). Moreover, company can present work agreement between company and contractor. Interview with contractor and PKWT personnel revealed that they have understood the content of work agreement and kept the copy of contract for themselves.

PT LTS provides facility and infrastructure for personnel welfare, such as housing, polyclinic, clean water, sport yard, education facilities, worship venue, and access to electricity. Field visit at housing in division II showed that the facilities and infrastructures are in good condition.

Company facilitates personnel to access adequate food supply by establishing market during the payment day. Moreover, there are some markets in surrounding villages. Personnel have an issue to access good food with reasonable price. Based on field visit and interview with personnel in housing division 2, company does not prohibited personnel to be a vendor, like selling staple food. Subsequently, there is no difficulty to access food.

Status: Comply

#### 6.6

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

There is no revision over company's policy since surveillance-3. Company has set the social policy number No Policy 724/TQEM-SPM/09 on 1<sup>st</sup> April 2010, by which company is respecting the right of the entire personnel to establish and join worker union based on their freewill. PT LTS has organogram for worker union SPSI period 2013 – 2018 that has been recorded based on Decree Number Kep.069/PC-FSP.PP/SPSI/RH/XI/2013. Based on interview with personnel in division 2, it is known that company has facilitated the establishment of worker union and personnel understand the function of worker union.

Company has documented the entire meeting record between personnel and worker union. For instance, minutes of meeting of worker union's establishment on 28<sup>th</sup> October 2013 that as attended by 73 representative from personnel. Moreover, company also has minutes of meeting, which regulates the minimum wage in 2015. Based on interview result with personnel, company has paid salary no less than the minimum wage regulation.

Status: Comply

#### 6.7

**Children are not employed or exploited.**

There is no revision over company's applicable regulation related to minimum age requirement since surveillance-3 activity, such as:

- Guidelines for sustainable plantation management (No. Policy 724/TQEM-SPMS/09), which is approved by chief executive officer related to social policy point 6 that stated the Plantation Upstream Indonesia does not recruit children (below 18 years old)
- Work agreement (2015-2017) Article 16 point 1 clause 1.2.2 stated that the minimum age for personnel is at least 18 years old during the recruitment or has been married.
- Memorandum No 522/HRM-13/X/2013 on 4<sup>th</sup> October 2013 related to minimum age for personnel. The memorandum urges the entire general manager and manager not to recruit personnel under 18 years old. This regulation is valid and has an effect to the entire operation's unit (estate/mill/representative office/regional office). Furthermore, this regulation has been inline with Manpower Law No 13 in 2003 article 68, and *International Labor Organization* (ILO) convention number 138/182 related to child protection and minimum wage.

Based on document's review over personnel data in September 2015, identity card review and interview with personnel, its known that company does not recruit personnel under 18 years old. This finding has been inline with the applicable regulation and company's policy.

<b>Status: Comply</b>
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#### 6.8

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

PT LTS has social policy No 724/TQEM-SPM/09 on 1<sup>st</sup> April 2010 that has been signed by Chief Executive Officer. This policy states that the entire personnel is fairly treated related to recruitment, promotion, work description and condition with no discrimination against race, social status, ethnicity, gender, skin color, disability, sexual orientation, organizational membership, political view, religion and age that stated in work agreement article 16 point 1.2.1 related to personnel recruitment.

Document verification over personnel database in September 2015 revealed that company has recruited personnel from various backgrounds to work in estate and mill. There are Malay, Javanese, batakese personnel who came from Riau, North Sumatera and Java. Moreover, personnel also have different religions, such as Islam and Christian. Based on interview with personnel, its known that there is no indication of discrimination. In a nutshell, personnel same from different ethnicity, religion and gender.

Interview with village representative revealed that company opens work opportunity for local communities (in mill and estate). This can be considered as positive impact over company's existence for local communities. There is no complaint related to discrimination from local communities. During recruitment process, company conducted medical examination and the results of examination (medical records) are stored in company's clinic office.

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

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

There is no revision on sexual harassment and sexual assault prevention policy since surveillance-3, which stated in sustainable plantation management guidelines (No. Policy 724/TQEM-SPMS/09) that approved by chief executive officer. The social policy point 4 states that company is implementing the policy that protect female personnel from sexual harassment and sexual assault, as well as protecting their reproductive rights. Moreover, company's policy that protecting sexual harassment and sexual assault also stated in work agreement article 28 clause 2.6 and 2.8, which states that the entire personnel is prohibited to gamble, drink alcohol, drunk and conducting immoral behavior or sexual harassment in work place as well as prohibited to access porn sites and/or distributed porn and prohibited to violate legal regulation. Moreover, company has established gender committee, which is in charge to socialize and handle gender issues, including sexual harassment cases.

Company has established gender committee for period 2014 –2015. In addition, each division has chief of gender committee. The purpose of establishment of gender committee is to provide place for personnel to submit their case

related to gender issues. Moreover, company has a record on gender committee meeting on 29<sup>th</sup> September 2015. The meeting was conducted to socialize various issues, such as: nutrition for infant and children, reasons behind divorce, warning for parent not to allow their under-age children to ride motorbike. Based on interview with personnel and gender committee representatives, it is known that until surveillance-4, gender committee received no complaint. Gender committee has a program for period 2015-2016, such as:

- Training on bathing and covering procedure for female corpse in October 2015
- Socialization on headphone usage in November 2015
- Socialization on nutritious food for children in November 2015
- Socialization on suicide prevention in December 2015
- Socialization on motorbike utilization for children in December 2015

Company presented the implementation evidence over reproductive protection policy, such as:

- Record on menstrual leave granting on behalf of Siska on 28<sup>th</sup>-29<sup>th</sup> September 2015, there was no salary deduction due to her menstrual leave.
- There is an evidence of menstrual leave granting on behalf of Elisa on 02<sup>nd</sup>-03<sup>rd</sup> September 2015. There was no salary deduction due to her menstrual leave.

Based on interview with personnel in housing Division 2, its known that some personnel knew about sexual harassment and sexual assault protection policy. Moreover, they knew about the existence of gender committee that becomes the place where to submit report related to gender issues. In addition, company also granted menstrual leave and maternity leave. Company socialized menstrual and maternity leave during gender committee meeting.

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

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

At present, PT LTS neither purchase nor process FFB from other smallholders or other sources. The entire processed FFB in Alur Dumai Mill came from own estate in Alur Dumai.

Company has work agreement with third party to perform FFB's transportation work. For instance, work agreement No. ADE/LKL/2015/IX/023-TBS for period 1<sup>st</sup> October 2015 – 31<sup>st</sup> December 2015. There is no deadline for the payment over the document. Both parties have understood the work agreement and they signed it with legal stamp.

Company presented payment receipt to contractor based on work agreement for transporting FFB, in a form of bilyet giro, which has been paid on 19<sup>th</sup> October 2015 for work period September 2015. Based on auditor's observation, the payment has been inline with work agreement and both parties were satisfied with the payment.

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

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

Company has CSR program for local construction for period 2015-2016 for estate and mill, such as:

- Road maintenance in Sri Kayangan Village in November 2015 and May 2016
- Road maintenance in Pondok Keresek Village in Augustus 2015, December 2015 and April 2016
- Road maintenance in Bakti Makmur Village in January and June 2016
- Meat grant for idul adha celebration in Tangga Batu Village in October 2015
- Meat grant for idul adha celebration in Bakti Makmur Village in October 2015
- Assistance to support welfare for elementary and Bina Ilmu junior high school in 2015-2016
- Assistance on Sri Kayangan junior high school's facilities in November 2015
- Contraception/HIV/agriculture socialization in February 2016 and March 2016

The CSR program was developed based on questioner result. Company distributed questioner to local villages, such as Tangga Batu Village, Sri Kayangan Village, Pondok Keresek Village, Bakti Makmur Village and Murini Makmur Village. There is a recapitulation on communication questioners from PT LTS to local community in estate area that has been

signed by social team on 21 <sup>st</sup> October 2015. The document informs the questions, response and evaluation. There are 10 recapitulations over question from 20 questioners for local communities. Based on interview with local villages, company gave work opportunity for local people. Subsequently, there is positive impact for local community from the existence of PT LTS.		
	<b>Status: Comply</b>	
<b>6.12</b>		
<b>No forms of forced or trafficked labour are used.</b>		
Based on list of personnel document in September 2015, there was neither illegal personnel nor personnel who was sent from area to work in another area system/ <i>Sistem Penempatan Antar Kerja Antar Daerah (AKAD)</i> . The entire personnel have been recruited based on company's regulation. Based on interview with some personnel, there were neither illegal nor forced labor.		
On running its operation activities, company is hiring personnel and third party (contractor), and there is no activity being distributed to other party (indicator 6.5.2). Contractor performs work activity based on work agreement (contract). One of article in the work contract for instance regulates the there is no work activity could be distributed to other party. The entire personnel are hired based on company's regulation. Each personnel have their work contract with company.		
	<b>Status: Comply</b>	
<b>6.13</b>		
<b>Growers and millers respect human rights</b>		
Company has memorandum that respects human right. Memorandum number 161/SOU-16/X/2015 on 15 <sup>th</sup> October 2015. The memorandum states that company gives special attention and comply the protection on human right based on Law No. 39 in 1999 regarding with human right. Estate manager and mill manager (act) have approved this policy.		
The policy is installed in information board at security post in mill. During morning briefing, the policy is being read along with company's <i>code of conduct</i> .		
	<b>Status: Comply</b>	
<b>PRINCIPLE #7 Responsible development of new plantings</b>		
<b>7.1</b>		
<b>A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</b>		
There is no new cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.		
Company's environment report and environment management plan report and environment monitoring plan report can be seen on criteria 5.1.		
	<b>Status: Comply</b>	
<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 cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.		
	<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>		

Document's review and interview with PT LTS's management revealed that there is palm oil cultivation activity after November 2005, which was conducted without prior HCV study. The cultivation after November 2005 was conducted in PT LTS's rubber plantation area. The conversion from rubber plantation into palm oil plantation was conducted since 2003.

Company has conducted the identification over HCV area in November 2009. *RSPO approve assessor* is person in charge to conduct the identification process. Moreover, PT LTS conducted *disclosure of liability* and LUCA for the new cleared area after November 2005 without prior HCV study, which can be seen from electronic mail from Head of PSQM departement Sime Darby Plantation on 15<sup>th</sup> July 2015 regarding the "Progressive submission of LUCA Result of Areas Cleared without prior HCV Assessment since Nov 2005" to RSPO's secretariat. Based on the aforementioned mail, its known that LUCA for PT LTS has been sent in December 2014. The management unit need to ensure the review result over *Land Use Change Analysis* of PT LTS has been reported in December 2014 to RSPO. **OFI**

Document's review and interview with PT LTS management revealed that there was no new plantation clearance since 1<sup>st</sup> January 2010. Based on environment impact assessment, PT LTS cultivation activity has been started since 16<sup>th</sup> December 1986 with rubber and palm oil vegetation.

Company has managed its plantation area that being identified as HCV area by prohibiting the utilization of chemical material and rejuvenating the ecosystem through greening activity.

**Status: OFI**

### 7.4

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

There is no new cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.

There is no soil that being categorized as marginal, prone to landslide, and extreme sloping area within PT. LTS area based on semidetail soil survey.

**Status: Comply**

### 7.5

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

There is no new cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.

**Status: Comply**

### 7.6

**Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.**

There is no new cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.

**Status: Comply**

### 7.7

**Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.**

There is no new cultivation or expansion over the current HGU area in PT LTS's estate. PT LTS only conducted replanting activity in 2012.



Based on field visit, it's known that the replanting activity was conducted by using heavy equipment with zero burning approach.		
	<b>Status: Comply</b>	
<b>7.8</b>		
<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>		
PT LTS did not open new estate area after 1 <sup>st</sup> January 2015.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b>		
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
PT LTS has conducted sustainable improvement such as through its <i>Mill Advisory</i> activity and <i>Plantation Advisory</i> activity, which were conducted every 6 months by company's personnel. These activities include monitoring and improvement suggestions for the management unit.		
PT LTS conducted several activities, such as:		
<ol style="list-style-type: none"> <li>1. Selling used iron from mill area to third party for the volume of used iron was too high. The used iron was generated from mill's operation activity, which can harm health (become the place for mosquitos to breed) and sanitation.</li> <li>2. Company does not use chemical material with active <b>Paraquat</b> and prohibits its utilization since 2009.</li> <li>3. Monitoring the source of emission periodically and maintaining the maintenance over working tools.</li> <li>4. Managing and monitoring the environment impact and social impact due to PT LTS's operation activity.</li> <li>5. LTS uses certified seed to support the maximum production result.</li> </ol>		
<ul style="list-style-type: none"> <li>• The RSPO Internal audit on 15<sup>th</sup> – 16<sup>th</sup> October 2015. PSQM Department in Sumatera Region conducted the internal audit with an achievement of 74.6% from 103 indicators.</li> <li>• The audit document on <i>Environment Safety and Health</i> (ESH) for estate and mill on 16<sup>th</sup> October 2015. One of audit findings, such as: <ol style="list-style-type: none"> <li>a. Estate: harvesting personnel wore broken PPE (helmet and safety shoes). The curative actions over this finding was replacing the broken PPE wit the new one. Moreover, audit found the content of first aid box was incomplete in traction. The curative actions over this finding was by conducting periodic monitoring over the content of first aid box and ensure its completeness.</li> <li>b. Mill: Eyewash in warehouse for chemical material was broken because there was a broken water tap. This finding has been fixed by replace the broken one with a new eye wash tap.</li> </ol> </li> </ul>		
Particularly for corrective action for audit ESH activity, the report has been periodically updated every week and has been submitted to PSQM Department.		
	<b>Status: Comply</b>	

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

Clause	(Module D) CPO Mills – Identity Preserved Requirements													
D1	Definition													
D.1.1														
A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.														
Alur Dumai Factory only receives FFB from estate, which has RSPO certificate.														
	Status: Comply													
D.2	Explanation													
D.2.1														
The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.														
The estimation of CPO and PK production in the mill is stated in annual assessment report. Based on n ASA-3 RSPO report, the estimated production from 16 <sup>th</sup> January 2015 to 15 <sup>th</sup> January 2016 was 13,427 Ton CPO and 2,890 Ton PK. Meanwhile the actual production in Alur Dumai Factory from 16 <sup>th</sup> January 2015 to 24 <sup>th</sup> October 2015 was 8,238.999 Ton CPO and 1,740.160 Ton PK.														
	Status: Comply													
D.2.2														
The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).														
<ul style="list-style-type: none"><li>RSPO IT Platform member registration number: RSPO_PO1000000326</li><li>Certified CPO that was sold to each buyer for period 16<sup>th</sup> January 2015 to 24<sup>th</sup> October 2015</li></ul>														
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>There were no CSPO sale</td><td>-</td><td>-</td></tr><tr><td></td><td></td><td></td></tr><tr><td colspan="2">Total</td><td></td></tr></table>			Date	Buyer	Volume	There were no CSPO sale	-	-				Total		
Date	Buyer	Volume												
There were no CSPO sale	-	-												
Total														
<ul style="list-style-type: none"><li>Certified Palm Kernel that was sold to each buyer for period 16<sup>th</sup> January 2015 to 24<sup>th</sup> October 2015</li></ul>														
<table><tr><th>Date</th><th>Buyer</th><th>Volume</th></tr><tr><td>16<sup>th</sup> October 2015</td><td>Colgate</td><td>1,000</td></tr><tr><td></td><td></td><td></td></tr><tr><td colspan="2">Total</td><td>1,000</td></tr></table>			Date	Buyer	Volume	16 <sup>th</sup> October 2015	Colgate	1,000				Total		1,000
Date	Buyer	Volume												
16 <sup>th</sup> October 2015	Colgate	1,000												
Total		1,000												
	Status: Comply													

<b>D.3</b>	<b>Documented procedures</b>
<b>D.3.1</b>	<p><b>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</b></p> <ul style="list-style-type: none"> <li><b>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></li> <li><b>b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</b></li> </ul> <p>a. There is a revision on supply chain implementation procedure in ALUR DUMAI Mill of PT Lahan Tani Sakti based on SOP for supply chain on product identity preserved, No. 027/LTS-SCCS/15), which was approved by Alur Dumai Estate Manager and Alur Dumai Factory Manager and valid since 3<sup>rd</sup> September 2015.</p> <ul style="list-style-type: none"> <li>➤ The objective is to identified raw material and end product. Subsequently the relation between raw material and end product can be traced</li> <li>➤ The scope of procedure is applied from harvesting activity, the acceptance of raw material, production process, warehouse of material/ Bulking Station and product delivery process to buyers in PT LTS.</li> <li>➤ The implemented form of supply chain is IP</li> </ul> <p>a. Personnel in charge on the implementation of requirement such as:</p> <ul style="list-style-type: none"> <li>- <b>Factory Manager</b> <ul style="list-style-type: none"> <li>➤ Stores and maintains the entire document and the entire raw material and supporting material that were used in production process and end product quality.</li> <li>➤ Verifies the delivered-product to buyers by ensuring that products are inline with invoice, delivery order, and sales contract and signs product delivery note.</li> <li>➤ Provides sufficient training on supply chain certification requirement to the entire personnel who involved in supply chain stage from raw material acceptance, production process, and storage and product delivery to buyers.</li> </ul> </li> <li>- <b>Plantation Sustainable Quality Management (PSQM) Assistant</b> <ul style="list-style-type: none"> <li>➤ Examines the quality of FFB in mill and develops daily recapitulation</li> <li>➤ Supervises delivery and palm product loading process.</li> <li>➤ Analyses the quality of raw material and product on the entire production process.</li> <li>➤ Stores, maintains and distributes the analysis result and raw material examination to related stakeholders.</li> </ul> </li> <li>- <b>Assistant/Senior Assistant/ Bulking Manager</b> is responsible on transportation, handling and storage of CPO product and PKO from mill to bulking station.</li> </ul>
	<b>Status: Comply</b>
<b>D.3.2</b>	<p><b>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</b></p> <p>Company has a mechanism to receive fruit by required driver to present fruit delivery notes from each estate and fruit contractor. Fruit delivery note explains RSPO certificate number, seal number, the origin of FFB (estate, Division, block), acceptance date, SPB number, vehicle number, fruit quantity and the name of person who approve the note. Form of fruit delivery note has been inline with work guidelines for field assistant in TQWM (No Policy: 721/TQEM-PKA/08).</p> <p>Alur Dumai Mill, LTS has a documentation procedure for FFB acceptance and processing to separate product from RSPO certificate to non-certified by identified the produce of mill through identification from number or label in each part.</p> <p>During Surveillance-04, auditor interviewed and reviewed the record and notes from fruit delivery notes (SPB), which was carried by driver who transports FFB, to security for verification. Furthermore, fruit delivery note will be submitted to <i>Weighbridge Operator</i> to be printed to <i>Weighbridge Ticket</i>. Hence after FFB was unloaded in Loading Ramp, the driver will</p>

receive the stamped weighbridge ticket with "RSPO Certified" stamp by *Weighbridge Operator*. Fruit delivery notes (SPB) and Weighbridge ticket will be stored and achieved.

**Status: Comply**

#### D.4 Purchasing and goods in

##### D.4.1

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

- Certified and non-certified FFB, which have been received for period 16<sup>th</sup> January 2015 to 24<sup>th</sup> October 2015

Month	FFB (Ton)		
	RSPO Certified	Non Certified	Total
16 <sup>th</sup> – 31 <sup>st</sup> January 2015	1,559.000	-	1,559.00
February 2015	2,876.520	-	2,876.520
March 2015	3,782.860	-	3,782.860
April 2015	3,265.610	-	3,265.610
May 2015	2,712.270	-	2,712.270
June 2015	2,523.390	-	2,523.390
July 2015	4,092.620	-	4,092.620
August 2015	5,325.800	-	5,325.800
Sept 2015	4,964.870	-	4,964.870
1 <sup>st</sup> – 24 <sup>th</sup> October 2015	4,096.930	-	4,096.930
Total	35,199.870	-	35,199.870

**Status: Comply**

##### D.4.2

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

- CPO and PK production for period 16<sup>th</sup> January 2015 – 24<sup>th</sup> October 2015

Month	Certified Product (Ton)	
	CPO	PK
16 <sup>th</sup> – 31 <sup>st</sup> January 2015	379.840	79.243
February 2015	717.577	150.538
March 2015	908.013	194.030
April 2015	796.029	167.335
May 2015	651.711	138.018
June 2015	577.918	123.424
July 2015	947.602	176.286
August 2015	1,216.218	251.682
Sept 2015	1,142.138	253.639
1 – 24 October 2015	901.953	205.969
Total	8,238.999	1,740.16 0

Based on the attachment of RSPO ASA-3 certificate, its known that the projected production of CPO was 13,427 Ton and PK was 2,890 Ton. Meanwhile CPO and PK production from 16<sup>th</sup> January to 24<sup>th</sup> October 2015 was 8,238.999 Ton CPO and 1,740.160 Ton PK

**Status: Comply**

<b>D.5</b>	<b>Record keeping</b>
<b>D.5.1</b>	<b>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</b>
	Alur Dumai Factory has recorded the entire FFB with RSPO certificate, which enter mill. However, until audit ASA-4 (27 <sup>th</sup> October 2015) there was neither delivery nor sale on CSPO and CSPK (in a physical form).
	<b>Status: Comply</b>
<b>D.6</b>	<b>Processing</b>
<b>D.6.1</b>	<b>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage</b>
	PT LTS only processes FFB from RSPO certified estate, subsequently, the entire product is CSPO and CSPK
	<b>Status: Comply</b>
<b>D.6.2</b>	<b>The objective is for 100 % segregated material to be reached</b>
	Alur Dumai Factory only processes FFB from RSPO certified estate.
	<b>Status: Comply</b>



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

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or√</b>
<b>ASA-4</b>	LTS has had approval / permit to use the certificate with the number MUTU-RSPO/011 and Confirmation Letter "Sertifikat RSPO dan Aturan Penggunaan Logo" No.172.19/MUTU/I/2012.	<b>X</b>
	<b>Status: NA</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or√</b>
<b>ASA-4</b>	The Company does not use the logo on-product and off-product in the scope of PT Lahan Tani Sakti.	<b>X</b>
	<b>Status: NA</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or√</b>
<b>ASA-4</b>	The Company does not use the logo on-product and off-product in the scope of PT Lahan Tani Sakti.	<b>X</b>
	<b>Status: NA</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or√</b>
<b>ASA-4</b>	The Company does not use the logo on-product and off-product in the scope of PT Lahan Tani Sakti.	<b>X</b>
	<b>Status: NA</b>	

**3.4 Summary of RSPO Partial Certification**

Management unit(s) observed: PT Mitra Austral Sejahtera		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	<b>X or√</b>
	PT Mitra Austral Sejahtera is compliance with applicable laws and regulations.	√
	<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>	<b>X or√</b>
	PT Mitra Austral Sejahtera has demonstrated land use and not legitimately contested by local communities.	√
	The company's land acquisition process has been in accordance with the prevailing regulations	
	<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>	<b>X or√</b>
	PT Mitra Austral Sejahtera has documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	
	There is a Communication Procedure No. Policy 501/MAS-KOM-03/11 dated 8 April 2011 implemented through the Mail Box, Email, Announcements, posters, brochures / pamphlets and meeting / briefing, etc. To resolve complaints / disputes associated with land, the company has prepared a Compensation Negotiation Process Mechanism No Policy 501/MAS-Doc 01/11 dated 8 April 2011, which contains a flowchart of (derasa) compensation payment process through a amicable discussion and meetings with Muspika (Task Force).	√
	<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>	<b>X or√</b>
	PT Mitra Austral Sejahtera has a Compensation Negotiation Process Procedure No. Policy 501/MAS-Doc 01/11 dated 8 April 2011, which contains a flowchart of compensation payment process (Derasa) through amicable discussion and meeting with Muspika. The pricing of compensation is based on the Minutes of Agreement on Compensation (Derasa) Pricing dated December 8, 2005 as agreed by PT MAS, Community Leaders and KUD managers, acknowledged by Sub-District Chiefs (3 Sub-districts). Socialization was held on December 9, 2005 and attended by 35 representatives of related groups.	√
	<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>	<b>X or√</b>
	PT Mitra Austral Sejahtera has not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	
	Based on the company's Plantation Concession issued through Decision of Land Agency Head of Sanggau District No. 400-56/IL-1999 dated January 8, 1999 on the Granting of Extension Concession the Purposes of Palm Oil Plantation located at Parindu, Bonti, Hulu and Kembayan Tayan sub-districts in the name of PT Mitra Austral Sejahtera with a total area of 20,000 hectares of 30,000 hectares reserved area, the concession of PT MAS is located within Other Use Area	√

	<p>(APL) in accordance with the Spatial Plan of West Kalimantan Province</p> <p>The company management has declared to the community that the company will preserve and will not cultivate palm oil crops in areas that have been identified as HCV (MAS-3 Estate's Statement Letter dated May 1, 2011).</p> <p>Local people / Indigenous Figures joined in Satlak were directly involved in the identification process of areas where palm oil planting is not allowed in accordance with the agreement.</p>	
	<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>	<b>X or√</b>
	<p>Available EIA documents as approved by the Central EIA Committee letter the Department of Forestry and Plantations, No: 242/Menhutbun-II/2000, on March 23, 2000.</p> <p>The company has conducted studies of social impact, but until the implementation of Stage-1 is still in draft form. SIA mentioned in the draft document;</p> <p>a. Positive Impacts</p> <ol style="list-style-type: none"> <li>Direct Impacts <ul style="list-style-type: none"> <li>Significant local people are employed by the company.</li> <li>Emergence of livelihood sources.</li> <li>Increased revenue sources and incomes of the villagers.</li> <li>Increased productivity, value and status of land (impact of KKPA plasma development).</li> <li>Increased accessibility and mobility of people, goods and services.</li> <li>Public's positive perception to the company.</li> </ul> </li> <li>Indirect <ul style="list-style-type: none"> <li>The increasingly growth of local businesses</li> <li>Increased cash flow and fund circulation in the surrounding villages.</li> <li>Increased purchasing power of the local people.</li> </ul> </li> </ol> <p>b. Negative Impacts;</p> <ol style="list-style-type: none"> <li>Direct impacts; <ul style="list-style-type: none"> <li>Reduced size of public lands,</li> <li>Public's negative perception to the company,</li> <li>Dispute/conflict</li> </ul> </li> <li>Indirect impacts and Accumulation <ul style="list-style-type: none"> <li>Clean water problem,</li> <li>Impaired traditional value system of mutual cooperation,</li> </ul> </li> </ol> <p>- Change in lifestyles of rural people.</p> <p>Based on the Plantation Development Realization Report of the socialization of new land opening has been conducted in July to September 2010 for Bonti and Kembayan Sub-districts, and unit has done socialization of new land opening in March 2011 (Sedae, Canal, Mua, Kampuh, and Tapa sub-villages).</p> <p>Based on interviews with residents of RT Pinsam the company's new plantation opening process also involved te Satlak Team consisting of Sub-village Chiefs, Indigenous leaders, KUD Sekayam Jaya Manager and Village officials as officers who perform verification of the land to be opened.</p>	√
	<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>	<b>X or√</b>
	There is a Land Compensation Negotiation Process procedure No. 501/MAS-Doc 01/11 dated 8	√

	<p>April 2011 in which contains a flow chart of compensation process involving amicable deliberation and meetings with Muspika (Task Force).</p> <p>Documented process and agreement of land acquisition for new plantation area are maintained in MAS 3 Estate's office and RSPO secretariat office in MAS 1 Estate.</p>	
	<b>Status: Comply</b>	

### 3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

#### 3.5.1 Identification of Findings, Corrective Actions and Observations at [ASA-4](#) Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.01	Major 2.1.1	<b>Regulation Compliance</b> According to the result of inter view and document review, the nursery workers (daily worker) have not yet shown the collective labour agreement between company and workers. Company does not comply Decree of Manpower and Transmigration Ministry Number 100 Year 2004 Chapter V Clause 10, 11, 12.	Estate	Major	February 4 <sup>th</sup> 2015	Company has to show the collective labour agreement between company and workers.	<p><b>Root cause:</b> Type of work in nursery division mostly dominated with temporary job. Therefore, most of the nursery workers using the unemployed employees wives without work agreement.</p> <p><b>Corrective action:</b> PT LTS has shown Collective Labour Agreement – Number ADE/LKL/XII/2014/024 dated December 31<sup>st</sup> 2014 which describes nursery workers Desember 2014 (<i>Pre Nursery</i> dan <i>Main Nursery</i>) were contracted by the second party on behalf of Nurjannah.</p> <p><b>Preventive action:</b> Conduct monitoring toward status of the entire workers on estate which is coordinated by Head of Division and Assistant of Division. Ensuring entire workers status in accordance with the applied statute, specifically Decree of Manpower and Transmigration Ministry Number 100 Year 2004 Chapter V Clause 10, 11, 12 and Statue of Republic of Indonesia Number 13</p>	Closed	29 January 2015



CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Year 2003 in term of Manpower. Conduct monitoring of contract period of the collective labour agreement with contract workers.</p> <p><b>Auditor Conclusion:</b> Company management unit is able to show collective labour agreement between PT LTS and nursery workers.</p>		

### 3.5.2 Identification of Findings, Corrective Actions and Observations at [ASA-4](#) Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2015.1	1.1.2	<p><b>Response on information request</b> Company has SOP for information request (No. 001/LTS-PI/09), however, the SOP has not stated the duration of revision over stakeholder list, the revision mechanism, how easy to access public information, how and where the information should be socialized.</p>	Major	Mill and Estate	28 <sup>th</sup> Decem ber 2015	Company should present the evidence that SOP for information request has explained the duration of revision over stakeholder list, the revision mechanism, how easy to access public information, how and where the information should be socialized.	<p><b>Root cause:</b> Lack of knowledge of management regarding to composing the procedure of information requested.</p> <p><b>Auditor observation:</b> <b>21 December 2015</b> Company had revised standard procedure No. 001/LTS-PI/15 Rev.01, dated 16<sup>th</sup> November 2015, about Information Request. The procedure has set a role some of procedures, as follows:</p> <ul style="list-style-type: none"> <li>• Data of Stakeholder must be updated</li> </ul>	Closed	21 Dec 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>yearly.</p> <ul style="list-style-type: none"> <li>Updated of stakeholder data mechanism, must be conducted.</li> <li>General information should be accessed through information board, circulated letter and asked directly to the respective section.</li> <li>Public information will be announced by circulated letter via information board, public spaces and/or directly informed to the respective stakeholders.</li> </ul> <p>According to evidence given, Auditor concluded that <b>the NCR No. 2015.1 has complied.</b></p> <p><b>Preventive Action:</b> To conduct a review of procedure which concluded updated on related regulations.</p>		
2015.2	4.3.4	<p><b>The management of peat area</b></p> <p>Based on field visit to peat area in block D13 and E15 there were no subsidence stakes to monitor the reduction of peat surface based on the applicable regulation (SOP No Policy 110/EST-ARM/13 BAB X related to water management in beach area and cultivation in peat area).</p>	Major	Estate	28 <sup>th</sup> Decem ber 2015	Company should present the evidence that subsidence stakes to monitor the reduction of peat surface has been based on the applicable regulation	<p><b>Root cause:</b> Peat management had not been fulfilled.</p> <p><b>Auditor Observation:</b> <b>13 November 2015</b> According to the evidence given (picture of subsidence pole), company had installed the monitoring poles in Blocks E013 and E015 in Division I, Alur Dumai Estate. The poles will be observed in the upcoming assessment. Hence, Auditor conclude that NCR No. 2015.2 has complied.</p>	Closed	16 Nov 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<b>Preventive action:</b> To enhance coordination with MRC regarding peat management system.		
2015.3	5.3.3	<b>Hazardous waste storage/management</b> Based on field visit in generator hut at Division II, there is hazardous waste in a form of used-oil, which was stored at the backside of generator hut. This finding is not inline with the applicable regulation as stated in SOP for hazardous waste management No. 17/LTS-PB3/09	Minor	Estate	Recertification	Company should present that the entire hazardous waste management has been inline with the applicable regulation	<b>Root cause:</b> Generator-set operator knowledge through hazardous materials was still lack.  <b>Auditor Observation:</b> <b>21 November 2015</b> The company has showed a hazardous manifest document from Division II, which explained that is 160 liter of used oil has stocked on the temporary waste storage (permitted).  Furthermore, the company has showed a document of socialization on the hazardous management training for Generator Operator, which conducted at 5 <sup>th</sup> December 2015. The training has attended by 4 Operator, 1 Supervisor and 3 Staff.  <b>Preventive action:</b> <ul style="list-style-type: none"> <li>To improve Operator knowledge on hazardous materials management.</li> <li>To conduct a regular monitoring on hazardous materials management.</li> </ul> <b>Auditor Conclusion:</b> According to evidence given, Auditor	Closed	21 Dec 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							concluded that the NCR No. 2015.3 has complied.		
2015.4	5.6.3	<b>GRK Calculation and Reporting</b> Company could not presented GRK Calculation and Report based on PalmGHG calculator version 2.1.1	Minor	Mill and Estate	Recertification	Company should present that GRK Calculation and Report has been inline with PalmGHG calculator version 2.1.1	<p><b>Root cause:</b> There is no response from RSPO Secretariat regarding to the GHG calculation that been sent by PSQM (Sime Darby management).</p> <p><b>Corrective action</b> -</p> <p><b>Preventive action:</b> To improve communication between Sime Darby Management and RSPO Secretariat.</p>	Open	-
2015.5	6.3.1	<b>Mechanism for complaint submission</b> Company could not presented the mechanism related to whistleblower protection.	Major	Mill and Estate	28 <sup>th</sup> December 2015	Company should present the mechanism related to whistleblower protection.	<p><b>Root cause:</b> Lack of acknowledge regarding to the whistleblower protection due to the new criteria in RSPO Principal and Criteria.</p> <p><b>Corrective action</b> -</p> <p><b>Auditor observation:</b> <b>21 November 2015</b> the company has showed the circulated letter No. ADE-ADF/203/XI/2015/M dated 16<sup>th</sup> November 2015 which sign by Alur Dumai Estate and Alur Dumai Factory manager.</p>	Closed	25 Nov 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Fundamental concept of whistleblower protection mechanism has consist:</p> <ul style="list-style-type: none"> <li>The whistleblower will be protected as employee of its company.</li> <li>To get a protection as personal, family and properties.</li> <li>The company will not punishing or reducing the whistleblower right as long as the whistleblower could proof and showed the evidence.</li> </ul> <p><b>Preventive action:</b> To update information regarding to new regulation.</p> <p><b>Auditor Conclusion:</b> According to evidence given, Auditor concluded that the NCR No. 2015.5 has complied.</p>		

### 3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	2.1.1	The extension of Temporary Hazardous Waste Landfill permit, which has been expired in July 2016
2	4.5.1	Adding the number of <i>beneficial plant</i> in company's operation area
3	4.7.2	MSDS is available in easy to understand language (bahasa language)
4	4.7.5	Evaluation on completeness of first aid kit box

5	<b>5.1.3</b>	Monitoring over erosion in terrace area
6	<b>5.2.2</b>	Ensuring the HCV area has been managed based on management plan
7	<b>6.2.1</b>	Increasing communication intensity between company's representative (communication and consultation officer/ head of company) with local communities
8	<b>6.3</b>	Establishment and registration of LKS Bipartite as a medium to settle manpower conflicts
9	<b>7.3.2</b>	Development of review over <i>Land Use Change Analysis</i> PT LTS, which has been reported in December 2014 to RSPO
10	-	Re-evaluating documentation's record.

#### 3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	Personnel competency on their expertise
2	<b>2.2.2</b>	Boundary of operation area in the field is clearly visible and well maintained.
3	-	Company's commitment to implement RSPO principle and criteria



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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><b>Environment Agency in Rokan Hilir District, Head of law division of Local Environment Agency in Rokan Hilir District</b></p> <ul style="list-style-type: none"> <li>• Company has environment document in a form of environment impact assessment; company has been periodically submitted its environment management-plan report and environment monitoring plan report to Local Environment Agency. Moreover, the entire monitoring activity has been stated in environment impact assessment's matrix and has been periodically being monitored.</li> <li>• Company has a complete environment licenses. For instance palm oil liquid waste utilization permit (land application) that valid since 7<sup>th</sup> September 2020, Temporary Hazardous Waste Landfill permit, which is valid since 5<sup>th</sup> July 2015 (storage duration is 180 days) and other permits.</li> <li>• Based on observation on environment agency, complain from local communities and/or from NGO, so far, there is no pollution issue related to company's operation activity.</li> <li>• Based on environment agency's latest observation in Augustus 2015. In general, company has conducted environment management and monitoring. For instance, company manages liquid waste from mill and its installation, company maintains land application along with monitoring well, company monitors aid, smell and noise.</li> </ul>	<ul style="list-style-type: none"> <li>• Environment management activities (environment management-plan report and environment monitoring plan) will be periodically reported to environment agency and the report submission will be periodically monitored. Company will consistently monitor the entire environment activities as stated in environment impact assessment's matrix.</li> <li>• Company will always monitor the validity of regulations and will always update the regulations before the expiration date.</li> <li>• Company will maintain and monitor its operation activities, in order to prevent environment pollution and to take immediate response in case of pollution.</li> <li>• Company will maintain and improve its environment management and monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 5.1</li> <li>• This finding has been inline with criteria 2.1 and 5.3</li> <li>• This finding has been inline with criteria 5.1</li> <li>• This finding has been inline with criteria 5.1 and 5.3</li> </ul>
<p><b>Manpower and Transmigration Agency in Rokan Hilir District, Head of Industrial relation and personnel in monitoring division.</b></p>		

<ul style="list-style-type: none"> <li>• Company has a good relation with agency</li> <li>• Company has submitted its reporting responsibility to Manpower and Transmigration Agency in time. For instance, the guiding committee for occupational health and safety report and manpower report.</li> <li>• Company performed its responsibility related to minimum wage for plantation sector in Riau Province in 2015 amount IDR. 2,125,500/month.</li> <li>• Company has registered its entire personnel on manpower social insurance (Jamsostek/BPJS Kesehatan).</li> <li>• Company has recorded the temporary work contract/<i>Perjanjian Kerja Waktu Tertentu</i> (PKWT) with its personnel in May 2015.</li> <li>• Company has work agreement based on PKS-PPS in 2015.</li> <li>• Company received technical guideline on establishing LKS Bipartite in September 2015. It is expected that in December 2015 Company has had the approved-LKS Bipartite from Manpower and Transmigration Agency in Rokan Hilir.</li> <li>• So far, there is no report related to industrial conflict between company and personnel.</li> <li>• Company had has worker union, however there is no approval from Local Manpower and Transmigration Agency over the established worker union.</li> </ul>	<ul style="list-style-type: none"> <li>• Company will sustain good relation with government agencies.</li> <li>• Company will submit its reports to Manpower and Transmigration Agency on time.</li> <li>• Company will perform its duty to pay personnel wage based on minimum wage for plantation sector in Riau Province.</li> <li>• Company acknowledges its responsibility to register its personnel on manpower social and medical insurance scheme (Jamsostek/ BPJS Kesehatan).</li> <li>• Company will periodically monitor the implementation of PKWT and will renew or extent the contract when its expired.</li> <li>• BKS-PPS existence is expected to maintain good relation between company and personnel</li> <li>• At present, there is an ongoing establishment of LKS Bipartite, which is being coordinated with HRM related to establishment mechanism and its registration to Manpower and Transmigration Agency in Rokan Hilir if the LKS Bipartite has been established.</li> <li>• Good relationship between company and personnel will be maintained by performing BKS-PPS in 2015 consistently.</li> <li>• Worker union has been registered to Manpower and Transmigration Agency. At present company is expecting the approval from Manpower and Transmigration Agency in Rokan Hilir.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 1.1 and 6.2</li> <li>• This finding has been inline with criteria 2.1 and 4.7</li> <li>• This finding has been inline with criteria 2.1 and 6.5</li> <li>• This finding has been inline with criteria 2.1 and 4.7</li> <li>• This finding has been inline with criteria 2.1 and 6.5</li> <li>• This finding has been inline with criteria 2.1 and 6.5</li> <li>• This finding has been inline with criteria 2.1; 6.3 and 6.6</li> <li>• This finding has been inline with criteria 6.3</li> <li>• This finding has been inline with criteria 2.1 and 6.6</li> </ul>
<p><b>National Land Agency in Rokan Hilir District</b> During public consultation, there were no personnel been interviewed, even though the public consultation letter has been</p>	<p>The public consultation only conducted in Manpower and Transmigration Agency, Plantation and local Environment</p>	

sent before the implementation of audit activity (attached the public consultation invitation letter).	Agency.	
<b>Plantation Agency in Rokan Hilir District</b> During public consultation, there were no personnel been interviewed, even though the public consultation letter has been sent before the implementation of audit activity (attached the public consultation invitation letter).	During the visit to Plantation Agency in Rokan Hilir District, audit team only met administrative division; meanwhile the interview was conducted with technical division who was worked outside the office.	
<b>Sri Kayangan Village (Village Secretary, Head of development unit, Head of Penertiban, Karang Taruna)</b> <ul style="list-style-type: none"> <li>Head of LTS estate never communicates with Village; the representative of PT LTS for communication is division assistant.</li> <li>Company has socialized the protected wildlife and natural vegetation.</li> <li>Cooperation with village should be improved, particularly related to road maintenance, because PT LTS's road is passing village road.</li> <li>PT LTS hiring 40% local communities from Sri Kayangan Village.</li> <li>PT LTS has not been maximized its identification over social impact on local communities, such as barrier 35 and 32 in Division I which were always covered, meanwhile the road is connecting communities' residence.</li> <li>There were no issues related to field fire and land conflict.</li> <li>PT LTS has not conducted any communication with local communities related on developing the local development program.</li> </ul>	<ul style="list-style-type: none"> <li>Company will develop the visiting schedule for village.</li> <li>Company will deliver socialization on natural vegetation and wildlife periodically.</li> <li>Company will improve partnership with local village, particularly related to road maintenance by put special attention on work schedule and heavy equipment condition.</li> <li>Company priorities local communities on personnel recruitment.</li> <li>Company will re-evaluate the identification over social impact potential by considering company's security, because some local communities steel company's FFB.</li> <li>Company will improve its preparedness on field fire.</li> <li>Company will coordinate with the management (PSD) related to local development program, because the total amount for the program is quite big.</li> </ul>	<ul style="list-style-type: none"> <li>PT LTS needs to increase the intensity of communication with local communities based on criteria 6.2</li> <li>This finding has been inline with criteria 5.2</li> <li>This finding has been inline with criteria 6.1; 6.2 and 6.11.</li> <li>This finding has been inline with criteria 6.1 and 6.11</li> <li>This finding has been inline with criteria 6.1</li> <li>This finding has been inline with criteria 4.7 and 5.5</li> <li>Company needs to increase the intensity of communication with local communities on developing local development program.</li> </ul>
<b>Pondok Keresek Village (Head of Administration Unit and Head of Development Unit):</b>		

<ul style="list-style-type: none"> <li>• Company will inform the mechanism for information submission through meeting activity between company and local communities.</li> <li>• Company always responses information requests. At present, incoming requests were dominated by grant proposals.</li> <li>• There was a conflict between local communities and company, related to prohibition to breed livestock in estate area and the penalty for violation over the prohibition. Local communities disagreed over company's policy because breeding livestock is one of livelihood for them. After discussion, company granted the demand from local communities to keep breeding livestock within estate area, with an exception that livestock cannot enter young plantation area.</li> <li>• Related to grant proposal from local communities, they feel that company does not support their effort, due to complicated administration requirements. For instance proposal should be signed by Head of Village, even should get an approval from Head of Sub-district. According to village representative, the entire proposal is part of agreement between local communities and village officers, hence who ever signed the proposal should not be a problem.</li> <li>• Company always provides assistance when local community conducts public event. For instance company provides clean water. When local community established worship venue and constructed road, company provided cement, stones and heavy equipment.</li> <li>• Local communities expect company to provide scholarship. Moreover, local communities expect company to provide trainings or socialization for local smallholder. For instance, when company cultivated anti-fire caterpillar in estate area, the fire caterpillars</li> </ul>	<ul style="list-style-type: none"> <li>• Information request and complaint submission mechanism are such an effective way to bridge the interest between company and local community, subsequently these mechanism will be maintained and improved.</li> <li>• The entire assistance proposal from local villages have been submitted in written, however the approval will come from senior level of management (GM, HSR, HPO, HPUI).</li> <li>• Livestock are allowed to enter estate area, but not to enter the area, which has young palm oil plantation because livestock will harm the plantation.</li> <li>• The entire incoming proposal will be brought to monthly SOU meeting and will be approved by the entire SOU-16 member. Based on SOU-16 member's agreement, the incoming proposal should be approved by Head of Sub-district. Subsequently, Sub-district government should know the grant proposal from villages.</li> <li>• Assistance from company is part of company's support for local development and part of company's efforts to maintain good relationship with communities.</li> <li>• Company will list student in village in order to add the existing scholarship and the list will be submitted to management unit for further approval. Moreover, company will prepare socialization and/or training</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 1.1; 1.2; 6.2 and 6.3</li> <li>• This finding has been inline with criteria 1.1; 1.2 and 6.2.</li> <li>• This finding has been inline with criteria 6.1 and 6.2.</li> <li>• Company needs to re-inform the mechanism for submitting grant proposal from local communities.</li> <li>• This finding has been inline with criteria 6.1 and 6.2.</li> <li>• This finding has been inline with criteria 6.11</li> </ul>
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<p>moved to local smallholders plantation. Subsequently, local communities expect company to share the knowledge about anti-fire caterpillar. In addition, local communities expect company to sale high quality seed to local community in order to increase local smallholders' production.</p> <ul style="list-style-type: none"> <li>• Some positive impacts from company's existence, such as: local recruitment, local communities glad that company allows their livestock to enter estate area. However there are also negative impacts from company's existence, such as: dust, which comes from company's vehicle that transports FFB.</li> <li>• Company used zero burning approach for its replanting activity. Moreover, company is willing to assist fire extinguisher in case of field fire in estate and surround local village.</li> <li>• There is no issue on pollution.</li> <li>• There is no land conflict between company and local communities</li> <li>• There is no traditional right within company's operation area.</li> </ul>	<p>schedule in collaboration with related department (MRC) for local smallholders.</p> <ul style="list-style-type: none"> <li>• Company will maintain the positive impact from its existence and will find a solution for dust problem.</li> <li>• Company commits to Zero Burning approach on implementing its operation activities, including replanting activity. Moreover, company will always assist fire extinguisher in case of field fire in estate and surrounding local villages.</li> <li>• Will be maintained</li> <li>• Will be maintained by approaching local communities</li> <li>• Based on survey result, its known that there is no traditional right within company's operation area.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 6.1 and 6.11.</li> <li>• This finding has been inline with criteria 5.5 and 7.7.</li> <li>• This finding has been inline with criteria 4.4; 5.1 and 6.1.</li> <li>• This finding has been inline with criteria 2.2 and 6.4.</li> <li>• This finding has been inline with criteria 2.3.</li> </ul>
<p><b>Gender Committee</b> <b>(Head of Gender Committee)</b></p> <ul style="list-style-type: none"> <li>• Company activey socialises the existance of gender committee to personnel.</li> <li>• In 2015 until the imolementation of audit, there were no negative issue related to gender.</li> <li>• Company has socialised the prohibition of pregnant and lactating female personnel to work with chemical material policy. Moreover, personnel have understood this policy.</li> <li>• There is no discrimination indication between female and male personnel, in term of work opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>• Will be sustained and maintained.</li> <li>• Will be sustained</li> <li>• Will be sustained and improved by keep socializing the prohibition of pregnant and lactating female personnel to work with chemical material policy.</li> <li>• Will be sustained.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 6.9.</li> <li>• This finding has been inline with criteria 4.6 and 6.9.</li> <li>• This finding has been inline with criteria 4.6 and 6.9.</li> <li>• This finding has been inline with criteria 6.8.</li> </ul>

<ul style="list-style-type: none"> <li>• Company does not limiting gender committee's activity</li> <li>• There is no discrimination againsts ethnicity, religion and race.</li> <li>• There is no under age personnel (child labor).</li> </ul>	<ul style="list-style-type: none"> <li>• Will be sustained.</li> <li>• Will be sustained.</li> <li>• Will be sustained.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 6.6 and 6.9</li> <li>• This finding has been inline with criteria 6.8.</li> <li>• This finding has been inline with criteria 6.7.</li> </ul>
<b>Worker Union (Head of Worker Union)</b> <ul style="list-style-type: none"> <li>• Company offers freedom for personnel to established worker union.</li> <li>• Company has good relation with worker union. Moreover, meeting between both parties have been conducted periodically.</li> <li>• Company paid wage based on the applicable regulation.</li> <li>• Until now, there is no crucial conflict between company and local communities.</li> <li>• Personnel have understood their duties and responsibilities.</li> <li>• The entire personnel have been involved in manpower social and medical insurance/ BPJS</li> <li>• Personnel are equipped with PPE and consistently received socialization on occupational health and safety.</li> <li>• There is no indication of child labor.</li> <li>• There is periodic meeting between company and worker union.</li> </ul>	<ul style="list-style-type: none"> <li>• As long as the establishment of worker union inline with the applicable regulation.</li> <li>• By maintaining good relation between company and worker union, company's operation activity will be smoothly implemented.</li> <li>• Company always paid personnel wage based on the applicable minimum wage for plantation sector in Riau province.</li> <li>• Will be sustained.</li> <li>• Company has delivered socialization on personnel duties and responsibilities.</li> <li>• It is part of company's responsibilities.</li> <li>• Company's objective is zero accident. In addition, work accident has been minimized by the proficiency of PPE.</li> <li>• Will be sustained.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 6.6.</li> <li>• This finding has been inline with criteria 6.6.</li> <li>• This finding has been inline with criteria 2.1 and 6.5.</li> <li>• This finding has been inline with criteria 6.3.</li> <li>• This finding has been inline with criteria 6.5 and 6.13.</li> <li>• This finding has been inline with criteria 2.1 and 4.7.</li> <li>• This finding has been inline with criteria 2.1 and 4.7.</li> <li>• This finding has been inline with criteria 2.1 and 6.7.</li> <li>• This finding has been inline with criteria 6.6.</li> </ul>
<b>Replanting Contractor (CV MKJP)</b> <ul style="list-style-type: none"> <li>• The entire contract that has been signed by company have been read and understood by contractors and signed by both parties.</li> </ul>	<ul style="list-style-type: none"> <li>• Each work agreement should be read and understood by company and contractor before both parties signed the agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• This finding has been inline with criteria 6.10.</li> </ul>



<ul style="list-style-type: none"> <li>Contractors are satisfied with the agreement points, which stated in work agreement. Moreover, they always received the copy of work agreement.</li> <li>Contractor's personnel have been registered in manpower social and medical insurance, received PPE and wage, which is inline with the applicable regulations.</li> <li>Wage payment has been inline with work agreement and always being paid in time.</li> <li>Company delivered training on occupational health and safety and appointed supervisor.</li> </ul>	<ul style="list-style-type: none"> <li>Will be sustained.</li> <li>It has been stated in Work agreement clause and Work agreement value has been calculated and no lower that the applicable minimum wage regulation.</li> <li>Will be sustained and improved.</li> <li>Company has implemented the occupational health and safety aspect in order to achieve zero accident.</li> </ul>	<ul style="list-style-type: none"> <li>This finding has been inline with criteria 6.10.</li> <li>This finding has been inline with criteria 4.7 and 6.5</li> <li>This finding has been inline with criteria 6.10</li> <li>This finding has been inline with criteria 4.7 and 4.8</li> </ul>
<p><b>Contractor for transporting CPO and PK (PT Mitra Angkutan Sejati/MAS)</b></p> <ul style="list-style-type: none"> <li>There is work agreement for transportation between PT LTS and capital office of Minamas Jakarta.</li> <li>PT MAS is transporting in 3 PT of Minamas, such as PT Aneka Inti Persada, PT Tunggal Mitra Plantation and PT Lahan Tani Sakti.</li> <li>Payment is made after the activity is done or per Delivery Order (DO)</li> <li>Payment has been conducted based on agreement</li> <li>Contractor provides PPE for its personnel (helmet and safety shoes), manpower medical and social insurance and Jamsostek.</li> <li>Salary for contractor based on work performance, such as IDR. 300,000/trip. The average delivery time is 2 days/ trip.</li> </ul>	<ul style="list-style-type: none"> <li>Each work agreement for transporting CPO and PK is prepared by capital office in Jakarta. Unit only receives DO, which has been approved by company and contractor.</li> <li>This is part of agreement between capital office in Jakarta and PT. MAS. So far, PT. MAS performs good work and no problems.</li> <li>This is part of agreement between company and PT. MAS.</li> <li>This is part of agreement between company and PT. MAS.</li> <li>Company has zero accident target. In order to pursue this target, company provides PPE for personnel and contractor and registers its personnel on manpower social and medical insurance.</li> <li>This is part of PT. MAS's policy with contractor.</li> </ul>	<ul style="list-style-type: none"> <li>This finding has been inline with criteria 6.10</li> <li>This finding has been inline with criteria 6.10</li> <li>This finding has been inline with criteria 6.10</li> <li>This finding has been inline with criteria 6.10</li> <li>This finding has been inline with criteria 4.7.</li> <li>This finding has been inline with criteria 6.5.</li> </ul>

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY****4.1 Formal Sign-off of Assessment Findings**

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

Signed on behalf of:

PT LAHAN TANI SAKTI  
Head of PSQM



**Mohamad Pirabaharan**  
Monday, 22 December 2015

Mutuagung Lestari  
Lead Auditor



**Ardiansyah**  
Monday, 22 December 2015

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

No	Institution/NGO/ Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Lands Agency of Rokan Hilir	Bagan siapi-api	-	Direct Consultation	27 October 2015		√
2	Labour Agency of Rokan Hilir	Bagan siapi-api	-	Direct Consultation	27 October 2015	√	
3	Plantation Agency Of Rokan Hilir	Bagan siapi-api	-	Direct Consultation	27 October 2015		√
4	Environment Agency of Rokan Hilir	Bagan siapi-api	-	Direct Consultation	27 October 2015	√	
5	Land Clearing Contractor (PT. MKJP)	Pekanbaru	-	Direct Consultation	27 October 2015	√	
6	Staff pemerintahan Desa Pondok Kresek	Pondok Kresek Village	-	Direct Consultation	27 October 2015	√	
7	Government Staff of Sri Kayangan village	Sri Kayangan Village	-	Direct Consultation	27 October 2015	√	
8	Transporter (PT MAS)	Bagan Batu	-	Direct Consultation	27 October 2015	√	
9	Jikalahari	Pekanbaru	secretariat@jikalahari.org	Email	23 October 2015		√

**Appendix 2. Assessment Program**

DATE / TANGGAL		26 – 30 Oktober 2015	
PLANNED TIME RENCANA WAKTU	ACTUAL DURATION DURASI AKTUAL	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
<b>Monday, 26 October 2015</b>			
06.00 – 08.30 10.37 – 17.00 17.30 – 21.00	06.00 – 08.30 10.37 – 17.00 17.30 – 21.00	<ul style="list-style-type: none"> <li>Travelling from Jakarta – Medan</li> <li>Travelling from Medan Airport – Rantau Prapat</li> <li>Travelling from Rantau Prapat – PT LTS</li> </ul>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
<b>Tuesday, 27 October 2015</b>			
08.00 – 09.00	08.00 – 09.00	<b>Opening Meeting</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
09.00 – 12.00	09.00 – 12.00	<b>Public consultation</b> <ul style="list-style-type: none"> <li>Government agency</li> <li>village</li> <li>internal stakeholder</li> </ul>	<ul style="list-style-type: none"> <li>AP</li> <li>ARD / FL</li> <li>AY</li> </ul>
12.00 – 14.00	12.00 – 14.00	<b>break</b>	
14.00 – 15.00	14.00 – 15.00	<b>Verification public consultation and previous finding</b>	<ul style="list-style-type: none"> <li>ARD / AY / FL</li> </ul>
15.00 – 16.30	15.00 – 16.30	<b>Field Visit // ALUR DUMAI FACTORY:</b> <ul style="list-style-type: none"> <li>SCCS</li> <li>OHS and waste management</li> </ul>	<ul style="list-style-type: none"> <li>ARD</li> <li>AY/ FL</li> </ul>
16.30 – 17.00	16.30 – 17.00	<b>Verification public consultation</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
<b>Wednesday, 28 October 2015</b>			
08.00 – 12.00	08.00 – 12.00	<b>Field Visit // Alur Dumai Estate</b> <ul style="list-style-type: none"> <li>BMP and OHS</li> <li>Waste management</li> <li>infrastructure</li> <li>HCV and boundary</li> </ul>	<ul style="list-style-type: none"> <li>AP / AY</li> <li>AP / AY</li> <li>FL</li> <li>ARD</li> </ul>
12.00 – 14.00	12.00 – 14.00	<b>Break</b>	
14.00 -17.00	14.00 -17.00	<b>Verification field visit</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
<b>Thursday, 29 Oktober 2015</b>			
08.00 – 12.00	08.00 – 12.00	<ul style="list-style-type: none"> <li>Document verification</li> </ul>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
12.00 – 14.00	12.00 – 14.00	<b>Lunch</b>	
14.00 – 15.00	14.00 – 16.00	<b>Preapering for Closing Meeting</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
15.00 – 16.00	16.00 – 17.00	<b>Closing Meeting:</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
-	19.00 – 22.30	<b>Travelling from PT LTS to Rantau Prapat</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
-	23.00 – 05.00	<b>Travelling from Rantau Prapat to Medan</b>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>
<b>Friday, 30 Oktober 2015</b>			
08.40 – 10.50	08.40 – 10.50	<ul style="list-style-type: none"> <li>Travelling to Jakarta</li> </ul>	<ul style="list-style-type: none"> <li>ARD / AY / AP / FL</li> </ul>