

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management : Libo Mill, PT Ivo Mas Tunggal
 Organisation
 Plantation Name : PT Ivo Mas Tunggal: Libo Estate, Sei Rokan Estate and Nenggala Estate
 PT Ramajaya Pramukti: Sungai Tapung Plasma
 Location : Sam-Sam Village, Sub District of Kandis, District of Siak, Riau Province,
 Indonesia
 Certificate Code : **MUTU-RSPO/032**
 Date of Certificate Issue : 30 October 2013 Date of License Issue : 30 October 2017
 Date of Certificate Expiry : 29 October 2018 Date of License Expiry : 29 October 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	24 – 27 July 2017 and 4 August 2017	Ardiansyah (Lead Auditor), Rudi Ramdani, Naila Karima, Radytio Puspanjana	Octo H.P.N. Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	4 September 2017

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FIGURE

Figure 1. Location Map of PT. Ivo Mas Tunggal

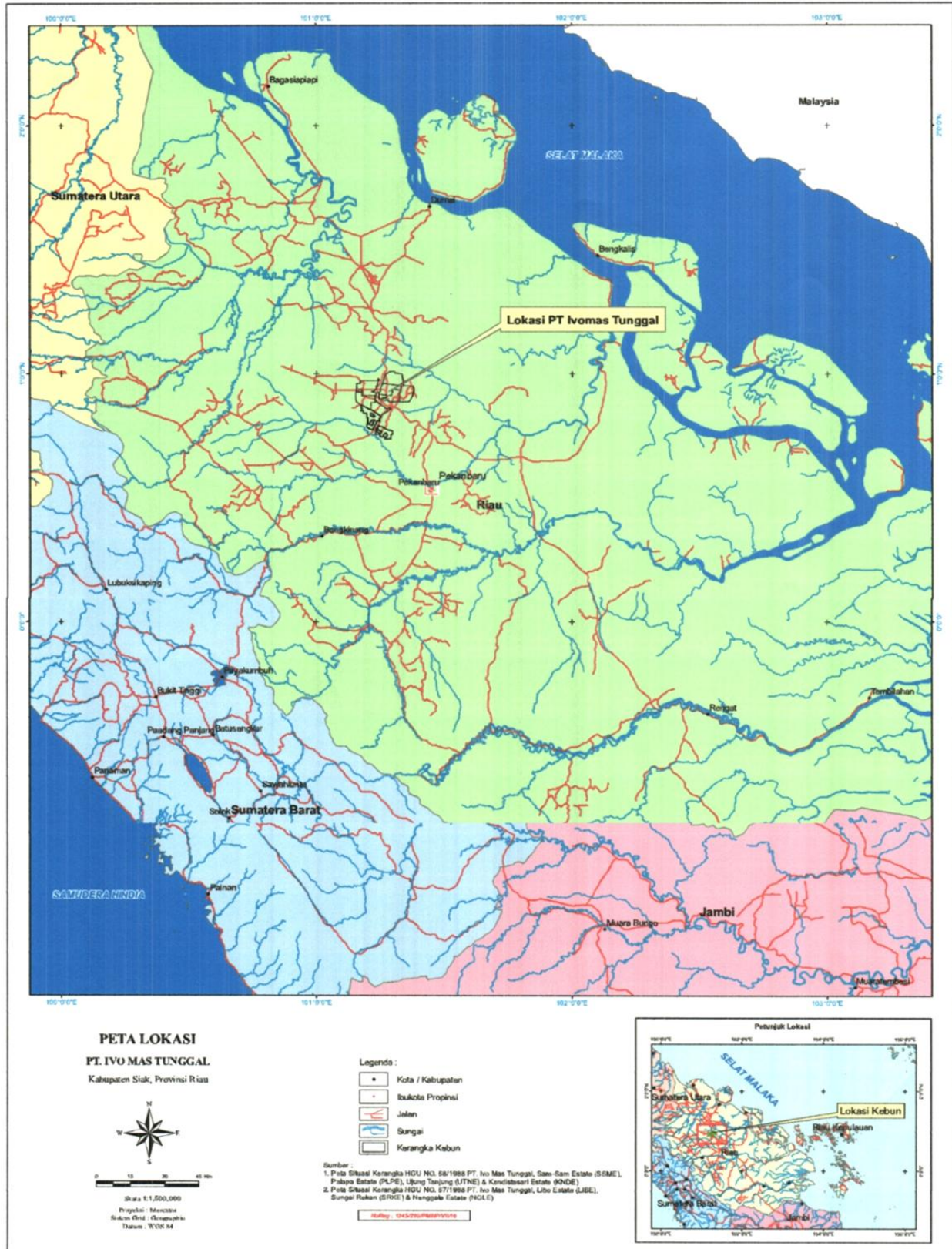
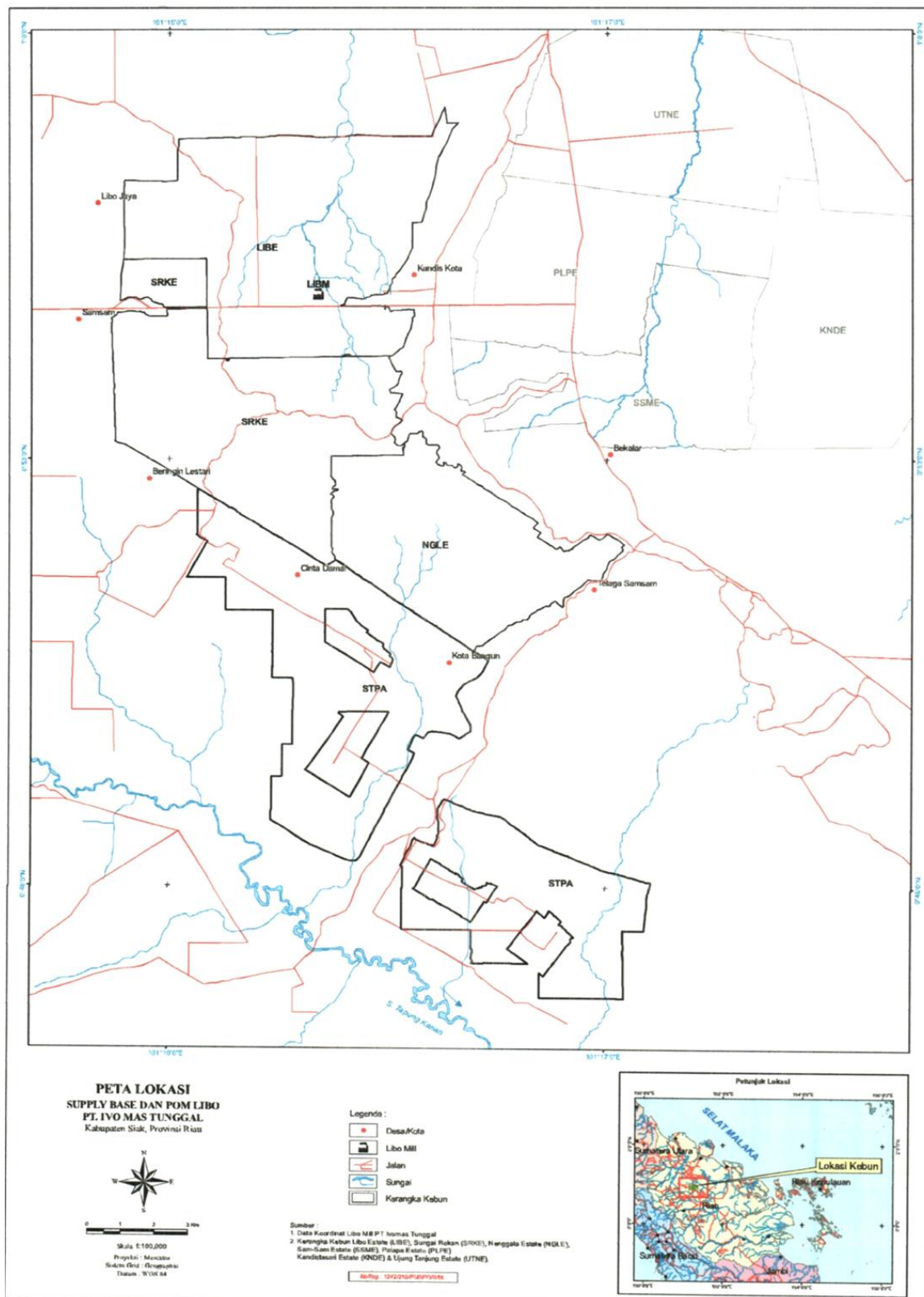


Figure 2. Operational Map of PT Ivo Mas Tunggal – Libo Mill



Glossary

AKAD	: <i>Antar Kota Antar Daerah (Inter-City Inter-regional)</i>
ASA	: Annual Surveillance Assessment
BKS-PPS	: <i>Badan Kerjasama Perusahaan Perkebunan Sumatra (Federation of Unions of Agricultural and Plantation Workers Union of Indonesia)</i>
BPJS	: <i>Badan Penyelenggara Jaminan Sosial (Social Assurance of Labor)</i>
CH	: Certificate Holder
CLA	: Collective Labour Agreement
CPO	: Crude palm oil
CSR	: Corporate Social Responsibility
D&L	: Document & License
DPC	: <i>Dewan Pimpinan Cabang (Board of Branch Managers)</i>
EFB	: Empty Fruit Bunch
EIA	: Environmental Impact Assessment
FR	: Frequency Rate
FFB	: Fresh Fruit Bunch
FPIC	: Free Prior Informed Consent
F.SPPP-SPSI	: <i>Federasi Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia (Federation of Unions of Agricultural and Plantation Workers Union of Indonesia)</i>
GHG	: Green House Gas
H1	: menstruation leave
H2	: maternity leave
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha (Land Title)</i>
HIPERKES	: <i>Higiene Perusahaan Ergonomi dan Kesehatan (Hygiene Company Ergonomics and Health)</i>
KER	: Kernel Extraction Rate
KNJP	: Kijang Plasma
KSBSI	: <i>Konfederasi Serikat Buruh Sejahtera Indonesia (Indonesian Prosperity Workers Union Confederation)</i>
IPM	: Integrated Pest Management
KUD	: Koperasi Unit Desa / Village Cooperatives
LIBE	: Libo Estate
LIBM	: Libo Mill
LSU	: Leaf Sampling Unit
MSDS	: Material Safety Data Sheet
NGLE	: Nenggala Estate
NGO	: Non Government Organization
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
OIA	: Operational Internal Audit
P2K3	: Panitia Pembina Keselamatan dan Kesehatan Kerja/OHS Committee
PIRSI	: Persatuan Ibu-Ibu Staf Region Siak
PK	: Palm Kernel
PKWT	: <i>Perjanjian Kerja Waktu Tertentu (Employment Agreement Specified Time)</i>
PKO	: Palm Kernel Oil
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PPE	: Personal Protective Equipment
RKL	: <i>Rencana Pengelolaan Lingkungan (Environment Management Plan)</i>
RPL	: <i>Rencana Pemantauan Lingkungan (Environment Monitoring Plan)</i>
RRMM	: Rama Rama Mill
RTE	: Rare, Threatened and Endangered
RSPO	: Roundtable Sustainable Palm Oil

SCCS	:	Supply Chain Certification Standard
SEL	:	<i>Studi Evaluasi Lingkungan</i> (Environmental Evaluation Study)
SHM	:	<i>Sertifikat Hak Milik</i> (Land Title)
SPPI	:	Serikat Perjuangan Pekerja Indonesia (<i>Union of Indonesian Workers Struggle</i>)
SMART	:	Sinar Mas Agri Resources and Technology
SMARTRI	:	Sinar Mas Agri Resources and Technology Research Institute
SIA	:	Social Impact Assessment
SOP	:	Standard Operational Procedure
SPO	:	Sustainable Palm Oil
SR	:	Severity Rate
SRKE	:	Sei Rokan Estate
SSU	:	Soil Sampling Unit
STPA	:	Sungai Tapung Plasma
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used			
<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)</i> • <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 for CPO Mill)</i> 			
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT IVO MAS TUNGGAL	
1.2.2	Contact person	Ismu Zulfikar	
1.2.3	Organisation address and site address	RSPO Registered Company: Sinarmas Land Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia	
1.2.4	Telephone	+6221 50338899 ext 1184	
1.2.5	Fax	+6221 50389999	
1.2.6	E-mail	ismu-zulfikar@smart-tbk.com	
1.2.7	Web page address	www.smart-tbk.com	
1.2.8	Management Representative who completed the application for certification	Ismu Zulfikar (Head of Environmental Departement)	
1.2.9	Registered as RSPO member	1-0056-08-000-00, 17 June 2008	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Libo Mill, Libo Estate, Nenggala Estate, Sei Rokan Estate and Sungai Tapung Plasma.	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Libo	Village of Samsam, Sub District of Kandis, District of Siak, Riau Province	N 00° 55' 34" E 101° 12' 22"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	Libo	Village of Samsam, Sub District of Kandis, District of Siak, Riau Province	N 00° 55' 34" E 101° 12' 22"
	Nenggala	Village of Samsam, Sub District of Kandis, District of Siak, Riau Province	N 00° 52' 08" E 101° 14' 03"

	Sei Rokan	Village of Samsam, Sub District of Kandis, District of Siak, Riau Province	N 0° 53' 34"	E 101° 13' 02"		
	Sungai Tapung Plasma	Village of Sukamaju and Kota Bangun, Sub District of Tapung Hilir, District of Kampar, Riau Province	N 0° 45' 03.49"	E 101° 14' 44.94"		
1.5 Description of Area Statement						
1.5.1	Tenure					
	• State		11,621.20 Ha			
	• Community		5,585.00 Ha			
1.5.2	Area Statement					
		PT Ivo Mas Tunggal (Ha)	Sungai Tapung Plasma (Ha)	Total (Ha)		
	• Total area	11,215.33	5585.00	16,800.33		
	• Mature area	6,447.01	5585.00	12,032.01		
	• Immature area	3,943.19	-	3,943.19		
	• Mill and Emplasmnt	121.33	-	121.33		
	• Trench/ swamp/ river	214.66	-	214.66		
	• Infrastructure (Housing, Offices, Road)	400.82	-	400.82		
	• Nursery	20.64	-	20.64		
	• Air strip	17.46	-	17.46		
	• Others area	50.22	-	50.22		
	• HCV (Include plated area)	352.71	75	427.71		
1.6 Planting Year and Cycles						
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		LIBE	SRKE	NGLE	STPA	Total
	1986	96.76	-	-	-	96.76
	1987	-	1,038.67	-	-	1,038.67
	1989	-	1,458.58	-	-	1,458.58
	1993	-	957.03	-	-	957.03
	1996	-	-	-	5,585.00	5,585.00
	2012	539.24	-	174.59	-	713.83
	2013	854.43	-	458.79	-	1,313.22
	2014	355.70	-	513.22	-	868.92
	2015	412.25	-	899.71	-	1,311.96
	2016	1,624.12	460.70	-	-	2,084.82
	2017	546.41	-	-	-	546.41
	TOTAL	4,428.91	3,914.98	2,046.31	5,585.00	15,975.20
1.6.2	New Planting area after January 2010		- Ha			

1.6.3	Planting Cycle	2 nd Cycle					
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFBProcessed (tonnes/year)	CPO		Palm Kernel	
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	Libo	60	315,666.75	63,561.24	20.14	16,597.53	5.26
	<i>* Source: Production data from July 2016 – June 2017</i>						
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill	
						FFB (tonnes/year)	%
	Libo	4,871.77	4,428.91	40,646.72	22.02	40,389.86	99
	Nenggala	2,203.84	2,046.31	14,745.07	12.86	66,478.91	99
	Sei Rokan	4,139.72	3,914.98	67,306.28	19.49	14,190.89	96
	Sungai Tapung Plasma	5,585.00	5,585.00	158,378.59	28.36	139,852.45	88
	TOTAL	16,800.33	15,975.20	281,076.66	23.36	260,912.11	93
	<i>* Source: Production data from July 2016 – June 2017</i>						
1.7.3	FFB description from other source						
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill		
					FFB (tonnes/year)		
	Rama Bakti Estate (RSPO Certified)	PT Ramajaya Pramukti	-	2,706.28	55,406.95		
	TOTAL					55,406.95	
	<i>* Source: Production data from July 2016 – June 2017</i>						
1.7.4	Product categories	FFB, CPO, PK					
1.8 Estimate Tonnage of Certified Product							
1.8.1	Product Type	Previous Certificate Claim 30 October 2016 to 29 October 2017 (tonnes/year)	Actual certified product 30 October 2016 to 24 July 2017 (tonnes/year)	Product Sold (Ton)			
				RSPO Certified	Other Scheme	Convention al	
	• FFB	291,397	234,735.04	-	-	-	
	• CPO	57,726	47,716.271	18,457.08	12,093.79	-	
	• Palm Kernel	15,619	12,255.718	11,000	-	-	
1.8.2	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/ year)	Yield (tonnes/ha/year)		
	Libo	4,871.77	4,428.91	44,307	24.00		

	Nenggala	2,203.84	2,046.31	72,540	21.00			
	Sei Rokan	4,139.72	3,914.98	17,199	15.00			
	Sungai Tapung Plasma (2,792 smallholders)	5,585.00	5,585.00	161,965	29.00			
	TOTAL	16,800.33	15,975.20	296,011	24.60			
<i>*Projected FFB production for 30 October 2017 – 29 October 2018</i>								
1.8.3	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		Supply Chain Model
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)	
	Libo	60	296,011	62,162	21	16,281	5.5	IP
<i>*Projected CSPO and CSPK production for 30 October 2017 – 29 October 2018</i>								
1.9 Other Certifications								
	ISPO from Mutuagung Lestari with certificate No. MUTU-ISPO/013 that valid from 16 January 2014 until 15 January 2019							
	ISCC from Mutuagung Lestari period 2017 – 2018							
1.10 Time Bound Plan								
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	Mill	Time bound						
	Samsam Mill	2009	Samsam Estate	2009	SIAK-RIAU	Certified		
			Samsam Estate (HGU on progress)	2020	SIAK-RIAU	-		
			Kandista Estate	2009	SIAK-RIAU	Certified		
			Kandista Estate (HGU on progress)	2020	SIAK-RIAU	-		
			Palapa Estate	2009	SIAK-RIAU	Certified		
	Ujung Tanjung Mill	2009	Ujung Tanjung Estate	2009	SIAK-RIAU	Certified		
			Ujung Tanjung Estate (HGU on progress)	2020	SIAK-RIAU	-		
	Libo Mill	2009	Libo Estate	2009	SIAK-RIAU	Certified		
			Nenggala Estate	2009	SIAK-RIAU	Certified		
			Nenggala Estate (HGU on progress)	2020	SIAK-RIAU	-		
			Sei Rokan Estate	2009	SIAK-RIAU	Certified		
			Sei Estate (HGU on progress)	2020	SIAK-RIAU	-		
	Naga Sakti Mill	2010	Naga Mas Estate	2010	KAMPAR-RIAU	Certified		
			Naga Sakti Estate	2010	KAMPAR-RIAU	Certified		
			Rama Bakti	2010	KAMPAR-RIAU	Certified		
	Kijang Mill	2010	Kijang Mas Estate	2010	KAMPAR-RIAU	Certified		
			Kijang Kencana	2010	KAMPAR-RIAU	Certified		

			Plasma			
	Ramarama Mill	2010	Ramarama Estate	2010	KAMPAR-RIAU	Certified
			Amartajaya Plasma	2010	KAMPAR-RIAU	Certified
	Indra Sakti Mill	2011	Indra Lestari Estate	2011	INDRAGIRI-RIAU	Certified
			Indra Sakti Estate	2011	INDRAGIRI-RIAU	Certified
			Indragiri Plasma	2011	INDRAGIRI-RIAU	Certified
			Indrasakti Plasma	2011	INDRAGIRI-RIAU	Certified
	Bumipalma Mill	2012	Bumi Lestari Estate	2012	INDRAGIRI-RIAU	Certified
			Bumi Palma Estate	2012	INDRAGIRI-RIAU	Certified
			Bumi Sentosa Estate	2012	INDRAGIRI-RIAU	Certified
	Sawita Mill	2018	Sawita Estate	2018	KALIMANTAN SELATAN	ST-1
			Pamukan Estate	2018	KALIMANTAN SELATAN	ST-1
			Sawita KKPA	2018	KALIMANTAN SELATAN	ST-1
	<p>Based on time bound plan on 31 January 2016, there is 1 (one) management unit was not certified yet i.e PT Sawit Karya Manunggal (Sawit Mill). Sawita Mill had conducted pre assessment on 2015 and for main assessment planned on 2018. The justification is waiting for approval of RaCP compensation plan.</p> <p>There is revision of time bound plan on 1 July 2017 for HGU on process in PT Ivomas Tunggal (Kandista Estate, Samsam Estate, Ujung Tanjung Estate, Sei Rokan Estate and Neggala Estate). For this area is planned for audit on 2020 because waiting for HGU.</p>					
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Libo Mill receive FFB from own estate, sister company and scheme smallholder. All supply base has been RSPO Certified.					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-4	<ol style="list-style-type: none"> Ardiansyah (Lead Auditor). Indonesian citizen, Bachelor of Forest Resources Conservation, Department of Forestry. Had work experience in Environmental NGO for 6 month (2007) and consultant for making EIA Document and KLHS for 3 years (2009 – 2012). Had attend training such as RSPO Lead Auditor course, Lead Auditor ISPO, OHSAS (SIO 18001 – 2007), land cover crop mapping and Management System Certification (ISO 9001-2008), Environmental Management System Certification (ISO 14001-2004), Social Auditing and Conflict Resolution. Had many times following audit activities related to sustainable palm oil certification system which is ISPO as an auditor since 2012 for legal, environmental aspect, conservation and social. Fluent in bahasa and malay. At the time of audit, has verify aspect of Legality, SCCS and Land Dispute. Rudi Ramdani (Auditor). Indonesian citizen with bachelor degree majoring in Agronomy. Experience as assistant manager in private oil palm company for ±3 years.He has followed training in several aspects as of: ISO 9001, ISO 14001, In house training of OHSAS, RSPO Lead Auditor course and Lead Auditor ISPO. He rules as lead auditor of ISPO since April 2016. He had involved many audit in scheme of ISPO and RSPO certification since 2012, with aspect audit of best management practice in oil palm plantation & mill, legal, environment, social, worker welfare.At the time of audit, has verify aspect of Best Management Practices aspect, Transparency and Social. Naila Karima Auditor). Bachelor of Public Health, Department of Occupational Health and Safety. Faculty of Public Health, University of Indonesia. She has experience working in private oil palm plantation companies in Indonesia. Who had attended the training including training understanding the RSPO certification system, ISPO Lead Auditor, and certified Integrated Management System (Occupational Health and Safety Management System OHSAS 18001:2007, Environmental ISO 14001:2004, Quality ISO 9001:2008). At the time of audit, she assessed on OHS and worker welfare. Radytio Puspanjana (Auditor Trainee). Indonesian Citizen. Bachelor of agriculture, majoring in Soil Science. Agriculture Faculty. He was working as honorarium Officer at the Riau Province Plantation Agency in the division of huge estate for 1 year. The participated trainings are Survey and Mapping (GIS) Training which was held by National GMTI, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospacial Information System, IHT Hight Conservation Value, IHT Environmental Impact Assesment, IHTGreen House Gas and RSPO Awareness In House Training. Since 2015 has been following many audit as auditor base on Best Management Practice and Environment. At the time of audit, has verify aspect of HCV and Environment.
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-4	Number of auditors : 3 auditor and 1 auditor trainee Number of days for ASA-4 at site: 5 days Number of working days for ASA-4 at site : 15 Working days
2.2.2	Assessment Process
ASA-4	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT PT Ivomas Tunggal to the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013, endorsed September 2016 and Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D for CPO Mill)</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some oppourtunities for improvement of the results ASA-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (Re Certification).</p> <p>Improvement of findings from survaillance assesment findings were observed by auditors at this ASA-4 assessment.</p>

All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-4.
The assessment program please find Appendix 2

2.2.3 Location of Assessment

ASA-4 The number of management units of this activity consists of four estates that supply material FFB to the Libo Mill. In conducting the assessment, auditor team using formula $0.8 \sqrt{y}$ to determine the sample of and consider the issue of problems arising from the stakeholders as fundamentally and critical. Based on this formula, the team of auditors determine the location of sample is 1 unit mill, 2 estates (Sei Rokan Estate and Nenggala Estate) and 43 Smallholders.

Libo Mill

1. **Security Post.** Observation and interview with Security Guard (*Satpam*) towards FFB reception, product delivery emergency situation handling, OHS and manpower aspects.
2. **Weigh Bridge.** Observation and interview with Weigh Beridge Operator towards FFB reception, product delivery, training/socialization, weigh device callibraton and OHS.
3. **Station of grading, loading ramp, sterilizer, digester, thresher, fat pit, process office.** Observation of implementation of work instruction, PPE, emergency respond, water process management.
4. **Boiler Station.** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
5. **Engine Room Station.** Observation and interview with operator related to the efficiency of fuel utilization, personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
6. **Hoisting Crane.** Observation and interview with operator related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare.
7. **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
8. **WTP.** Observation and interview with operator towards technical, OHS and manpower aspects.
9. **Mill Drainage.** Observations mill effluent lines, sanitation mill and flow of leaching mill.
10. **Hazardous waste warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
11. **Solid Waste.** Observation of the management of Solid waste consist of EFB, fiber and shell from the production process of mill.
12. **Methane capture/ Biogas Plan.** Observations and interviews related to POME management, employment, health checks, OHS, PPE and biogas utilization management. The installation can processes 300 – 600 of megawatt power / month.
13. **Workshop.** Observation and interview with mechanic and welder related personnel understanding over the applicable SOP, infrastructure in mill, the implementation of occupational health and safety, medical examination, trainings from company and worker welfare
14. **WWTP.** Field observations related to Ban to entry to WWTP, run off, testing of effluent. Officers equipped with PPE and Recording of effluent debit effluent.
15. **Sedimentation Trap Pond.** Observation on rainfall flows system on the mill.
16. **Laboratorium.** Observation and interview related to OHS implementation, chemical handling and waste handling
17. **Hydrant.** Simulate the facility of emergency.
18. **Worker quarters for mill workers.** Observation the facilities for workers such as childcare, condition of housing, domestic waste handling, sport field, emergency equipment and water source.

Sei Rokan Estate

19. **Block F34.** Observation the conditions and position of legal boundary BM 17.
20. **Block F29.** Observation the conditions and position of legal boundary BM 16.
21. **Block F34.** Observation the conditions and position of legal boundary BM 15.
22. **Block C06.** Observation the implementation of management of HCV area in water catchment area/swamp.
23. **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and

- safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
24. **Chemical store.** Observation the store condition, emergency facility, procedure, material in store, signages and availability of MSDS. Interview with store officer related to medical surveillance, training and PPE used.
 25. **Fertilizer store.** Observation the store condition, material in store, signages and availability of MSDS.
 26. **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
 27. **First aid post.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
 28. **Worker quarters (Pondok 1).** Observation the facilities for workers such as childcare, condition of housing, domestic waste handling, sport field, emergency equipment and water source.
 29. **Generator room.** Observation and interview with clerk related to generator system, engine capacity, and possible occurrence of spills to environment, PPE dan Health safety and labor management.
 30. **Land fill Block C16.** Observations related to the implementation procedures of domestic waste bins and disposal site.
 31. **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
 32. **Block 04 Division 1 (Pesticide and Fertilizer Applicator).** Observation on safe working practices and interview with the spraying and fertilizer workers related type of pesticides use and fertilizer use according to the procedure and also worker welfare.
 33. **Block 12 Division 1 (harvesting).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare
 34. **Block 12 Division 1 (Loading FFB process).** Interview with foreman of FFB about loading FFB prosedure, administration, FFB sortation in platform, safety and health and worker welfare.
 35. **Block 18 Division 8 (Nursery).** To check nursery.

Nenggala Estate

36. **Block C34.** Observation the conditions and position of legal boundary IMT 46.
37. **Block B37.** Observation the conditions and position of legal boundary BM 11.
38. **Block B20.** Observation the conditions and position of legal boundary BM 07.
39. **Hazardous waste temporary warehouse.** Field observations related to the fulfillment of the attributes health and safety, recording, and the implementation of compliance requirements hazardous waste temporary warehouse.
40. **Chemical store.** Observation the store condition, emergency facility, procedure, material in store, signages and availability of MSDS. Interview with store officer related to medical surveillance, training and PPE used.
41. **Fertilizer store.** Observation the store condition, material in store, signages and availability of MSDS.
42. **Fire Fighting Equipment Storage.** Simulation the function of fire extinguishers and team readiness.
43. **First aid post.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
44. **Body shower of spraying team and mixing area.** Observation the conditions body shower room and PPE handling.
45. **Worker quarters (Pondok 1).** Observation of the availability of infrastructure such as employee housing facilities, water facilities, educational facilities, religious facilities, health facilities and sports facilities.
46. **Land fill block C42.** Observations related to the implementation procedures of domestic waste bins and disposal site is about 5 kilometers from the settlement.
47. **Daycare.** Observations and interviews related to the facilities provided to workers such as employee housing, clean water, daycares, school, employment and interview related complaint mechanism.
48. **Block B14 Division 2 (Pesticide and Fertilizer Applicator).** Observation on safe working practices and interview with the spraying and fertilizer workers related type of pesticides use and fertilizer use according to the procedure and also worker welfare.
49. **Block B27 Division 2 (harvesting).** Observation of procedure application related fruit ripeness, safe working practices and interview about worker welfare.
50. **Block C12 Division 3 (barn owl nest observation).** To check nest condition.
51. **Block B27 Division 2 (Loading FFB process).** Interview with foreman of FFB about loading FFB prosedure, administration, FFB sortation in platform, safety and health and worker welfare.
52. **Housing of Spraying System.** Field observations related storage of PPE and handling hazardous materials and toxic waste.

	<p>Sungai Tapung Plasma</p> <p>53. Office of KUD Bangun Desa. Field observations and interview related storage of PPE and handling hazardous materials and toxic waste; payment system; harvesting, upkeep, OHS and dispute system.</p> <p>54. Block F16, F17, F18 and F 19. Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.</p> <p>55. Office of KUD Karya Tani. Field observations and interview related storage of PPE and handling hazardous materials and toxic waste; payment system; harvesting, upkeep, OHS and dispute system.</p> <p>56. Block G22, G21, G20 and G19. Observation and interview related to harvesting, upkeep, payment system, land title, land conflict and dispute mechanism.</p> <p>Stakeholder Consultation</p> <p>57. Surrounding communities (Bekalar Village and Belutu Village). Interviews related to the issue of environmental pollution, land conflict issue, the company's contribution to society and the impact of corporate activities.</p> <p>58. Government Institutions of Siak Districts (Environmental Agency, Manpower Agency and Plantation Agency). Interviews related to regulatory compliance, the issue of environmental pollution, land conflict issue and company contributions to the area.</p>
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>Consultation of stakeholders for PT Ivomas Tunggal held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com on 10 July 2017. 2. Public consultation with government agencies of Siak district (Plantation agency, Environmental agency) on 25 July 2017. 3. Public consultation by interview with locals of the nearby village (Bekalar Village and Belutu Village) on 25 July 2017. 4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee and local contractor) on 25 and 27 July 2017. 5. Consultation with NGO (Jikalahari and Sawit Watch) via email on 17 July 2017. <p>Numbers of input from stakeholders were clarified by PT Ivomas Tunggal</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ReCertification) will be determined at least 12 months after this ASA-4 (July 2018) .

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Libo Mill – PT Ivomas Tunggal operation consisting of one (1) mill, three (3) oil palm estates and 2,792 smallholders.

During the assessment, unit management of Libo Mill and its supply base already comply with RSPO P&C and SCCS requirements. There were three (3) opportunities for improvement were identified. Further explanation of assessment result are provided in section 3.5.

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

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is maintained.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY	
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
<p>1.1.1 The company already has a list of stakeholder related / direct contacts with the company. The list of stakeholders includes government agencies in Siak District, Siak District Police, Community Leaders, Customary Institutes (Melayu Adat), Religious Leaders, Indigenous Peoples (Sakai Indigenous People), Youth Leaders, Companies Around Plantation, Trade Unions, Educational Institutions, Suppliers, Contractors and corporate partners, NGOs (NGOs Around the Company). The data is prepared by SPO Region officer as of July 19, 2017.</p> <p>Stakeholder renewal is done once a year or done if there is a change in the arrangement or contact person Stakeholder. The officer who made the renewal was SPO PSM 5 Coordinator.</p> <p>The types of documents accessible and provided to stakeholders are in the list of information for stakeholders, such as employee lists, NPWP, local taxes / retribution payments, environmental documents, deed of incorporation and amendments, production area data and fertilization applications, land tenure certificates and HGU certificates , High Conservation Value report, Social Impact Assessment report, social activity document, and accident report and P2K3 report, improvement program document, RSPO audit report document, human rights policy document. If the requested information is not in the list of information, top management's first consideration is required. It is described in the SOP of Consultation and Communication (SOP-SMART-UMUM-SADP-I-004, dated July 1, 2014), point 2.2. 4 b.</p> <p>Socialization activities regarding Communication and Consultation Procedures and procedures for providing information to stakeholders on January 28, 2016 at the club house of sam sam estate with participants of the House of Representatives Siak (representatives of Sam Sam, representatives from sub-districts, Village Representatives, Malay Customary Institutes, KPA Sakai NGOs Candidate and Society.</p> <p>In Communication and Consultation SOP No. SOP / SMART / GENERAL / SADVI / 004, July 1, 2014. Delivery period of advice no later than 1 week after letter received (from Unit Head to Department concerned). Response no later than 3</p>	

weeks after mail received.

Based on the study of incoming and outgoing documents known until the implementation of ASA-S4 there is no request for information.

Based on field interviews with land-owning farmers and the Chairman and managers of Karya Tani and Bangun Desa smallholder cooperation, informed that information request could be addressed to smallholder cooperation management, and then it will be forwarded to the company.

1.1.2

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

Requests for information are documented in the communication book. As stated in the communication book there is no incoming letter demanding for information related to the operation of the estate and factory

The results of public consultations with stakeholders on July 26, 2017 obtained information that they never requested information about operational activities. However, if villagers are requesting for assistance, the company always responds quickly.

Records of incoming and outgoing requests for information and responses for 2017 in the form of consultation and consultation as follows:

- NGL: 6 incoming letters in form of funding request, for example letter dated April 08, 2017 for funding of church activity Ebenezer Kandis.
- SRKE: 11 outgoing mails, for example on June 12, 2017 for compulsory employment report to Disnaker Siak.
- LIBM: there are 2 incoming letters in the form of communication and consultation, regarding requests for assistance, such as letter dated April 5, 2017 regarding loan bus application and has been followed up on April 5, 2017 by borrowing a school bus.

Records of requested information documents are documented in the documentation of Incoming and Outgoing Letter for Karya Tani smallholder cooperation, where there are 21 incoming letters and 7 outgoing mails for the year 2017. Incoming letters such as FFB price notification and outgoing mail such as notice of harvested cavel change to farmer group. Meanwhile for Bangun Desa smallholder cooperation, there was 56 outbound letters of harvest cavel notification etc, and 8 letter of incoming mail and has been responded such as letter dated July 20, 2017 from Principal of SMA 1 regarding request for loan seat and assisted on July 22, 2017.

	Status: Comply	
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1.2

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

1.2.1

The types of documents accessible and provided to stakeholders are in the list of information for stakeholders, such as employee lists, NPWP, local taxes / retribution payments, environmental documents, deed of incorporation and amendments, production area data and fertilization applications, land tenure certificates and HGU certificates , High Conservation Value report, Social Impact Assessment report, social activity document, and accident report and P2K3 report, improvement program document, RSPO audit report document, human rights policy document.

Communication and Consultation SOP No. SOP / SMART / GENERAL / SADVI / 004 explained that some documents are confidential and must require permission from the company to access them.

The list of public document types in KUD Karya Tani and KUD Bangun Desa consists of 14 types of information, namely: number of employees and wage list, NPWP data, procedures and work stages, environmental documents, deed of establishment and amendment, production and area data, evidence of land use, identification of HCV, SIA identification report, community empowerment program report, P2K3 report, repair program document, RSPO audit report document,

human rights document, complaint documentation and dissatisfaction.

Evidence of socializing the list of information types and lists of stakeholders is exemplified in Karya Tani cooperation on January 16, 2017 attended by 59 participants. Based on interviews with KUD Bangun Desa administrators, it was found that there were already some types of information that cooperative members could access.

Status: Comply

1.3

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

1.3.1

Certificate holder has consistently documented the Principles of Business Ethics Policy endorsed by RC and PC of PT Ivomas Tunggal on January 03, 2015. The policy in the Indonesian language contains a commitment to behave ethically in all transactions and business operations that are guided by the company's shared values, integrity, Positive attitude, commitment, continuous improvement, innovation and loyalty and in accordance with the principles of sustainable palm oil plantation management.

The policy is communicated to all workers consistently during the briefing morning activity and through notice boards in each estate office and mill office, including the contractor. The result of interview with NGO (Komunitas Pengawas Korupsi) Siak Regency, submitted that PT Ivomas Tunggal cares and acts related to eradication of corruption action as stipulated in Principles of Business Ethics Policy.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

2.1.1

Certificate holder consistently applies legislation relating to plantation and palm oil mill. List of laws and regulations updated on July 07, 2017. The Certification Unit has shown compliance with laws and regulations, for example:

- Have Land rights in the form of Land Use Title, location permit and plantation business permit for the activities of oil palm plantation and palm oil mills accordance Plantation Act 39/2014 on plantation and Law No. 5 of 1960 on Main Agrarian Regulations (refer to criteria 2.2)
- The company has endeavored to protect workers from hazards and risks by providing PPE for high noise areas such as earplugs and earmuffs, and for areas with potential dangers of dust, smoke and ash in the form of masks. In addition to the provision of PPE, protection for workers is done by performing regular health checks in the form of audiometry and spirometry. As well as testing the air quality in the factory environment to ensure that the working environment in a safe condition in accordance with requirement (refer to indicator 4.7.3)
- Workers at specific station have completed with license (boilerman, electrician, heavy equipment operator and welder) in accordance with requirement (refer to indicator 4.7.3)
- Already has an organizational structure of Guiding Committee of Occupational Safety & Health and reporting Guiding Committee of Occupational Safety & Health regularly every three months (refer to indicator 4.7.4)
- Has been implements the requirement of environment aspect such as EIA management and monitoring in routinely (refer to criteria 5.1).
- Has been manage the hazardous waste and domestic waste in accordance with applicable regulation (refer to criteria 5.3).
- The Certification Unit has comply with minimum wage referring the decree of Riau Governor No. 20/II/2017 (refer to indicator 6.5.1)

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

2.1.2; 2.1.3 and 2.1.4

To ensure compliance to regulations, company has SOP Regulatory Compliance and Other Requirements (SOP/SMART/UMUM/SADV/I/002, dated 1 July 2014) describes the person in charge is SADV (for national level regulations), SPO PSM Officer and SPO Unit Officer (for local level regulations). Information of regulation from national, provincial and district regulatory bodies, and renewal of any changes to prevailing laws and regulations and monitoring of expired regulations/licenses. A list of regulatory identifications ranging from Laws, Government Regulations, Presidential Decrees, Ministerial Regulations, Ministerial Decrees, Regional Regulations, and the ratification of the ILO. Internal audits have been conducted continuously and are documented and reviewed in the management review activities conducted on 10 July 2017.

Status: Comply

2.2

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

2.2.1

CH has had the land rights in the form of Land Use Title (HGU) for an area of 11,621.20 hectares which consist of 1 certificate HGU and land title for an area of 5,585 Ha which owned by 2,792 Smallholders. Based on document review and field visit known that management unit has manage a area of 17,204.20 Ha consist of 16,689.11 Ha planted area, 285.99 Ha supporting facilities and 24.05 Ha others area. For this assessment, the scope of certification only 16,800.33 Ha because there are area that not has HGU yet. The progress of land tanure was field inspection by BPN and based on inspection is known that the area is not include in forest area. The progress of land tanure for area that not has HGU was include in partial certification.

Interview with communities and government agencies is known that the CH did not conduct expansion the operation area since last assessment (2016).

Tha land title for plasma is SHM for an area of 5,585 Ha which consist of 2,792 smallholders. CH can shows the copy of land title of smallholder.

2.2.2

Management unit has had list and map of boundry pole from National Land Agency. Based on the data, there are 40 pole in Nenggala Estate, Libo Estate and Sei Rokan Estate. Management unit have conducted monitoring and maintenance of boundary pole three month. The monitoring results for 2016 – 2017 showed that all pole in certification scope are in good condition.

Field visit in Sei Rokan Estate and Nenggala Estate showed that Boundary Pole IMT 46; BM 11; BM 07; BM 17; BM 16 and BM 15 are well-maintained (see picture) and the pole position is meet with the coordinate. Besides that, CH also maintaining trenches as part of boundary marker.



2.2.3; 2.2.4 & 2.2.5

The consultation results with communities (Belutu Villange) is known that there was no dispute / conflict of land between the company and communities for period 2016 – 2017. Field visit and document review also shows that there was no dispute / land conflict in operation area of CH. The company has had procedure for conflict resolution which stated that the resolution involve the stakeholder.

Consultation results with communities (Sekamaju Villange and Kota Bangun Village) is known that there was no dispute / conflict of land between the smallholders and communities for period 2016 – 2017. Field visit and document review also

shows that there was no dispute / land conflict in operation area of CH. The company has had procedure for conflict resolution which stated that the resolution involve the stakeholder.

2.2.6

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

We categorically reject the use of violence in any dipute by any parties.”

Consultation with the stakeholders (Sukamaju Village, Kota Bangun Village and Belutu Villange), there is no indicate that the company use the mercenary/paramiliter in operation area.

Status: Comply

2.3

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

2.3.1; 2.3.2; 2.3.3 & 2.3.4

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

Interview and field visit show that land utilization by CH does not destruct local communities’ traditional and legal right. Land ownership is entirely belong to individual or belong to state. The evidence of communities’ land release have been well documented and well stored by D&L. The latest land compensation has been conducted in 1995.

Document review, field visit and interview shows that since the last assessment (2016), the company does not perform land expansion.

Status: Comply

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

3.1

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

3.1.1

Certificate holder has shows longterm management business and budget plan for period 2017-2021. Management unit stated that the business plan are subjected to changed and reviewed annually by the respective management through considering actual trends and dynamic situation which predicted could be changed in the future. The objective of annual review is to optimize the company resouces to obtain a satisfactory goal. Parameters listed on the company long term plan has covers estimates of production, cost of production (plantation and mills), mills production projections (OER and KER), FFB and CPO price, and other financial parameters such as profitability and revenue.This longterm budget plan has made by Department of Finance and approved by Regional Controller.

3.1.2

Management unit can show document of activity plan of replanting for period of 2017-2021 with area SRKE 3,437.42 Ha.

Implementation of replanting continues to be implemented gradually given the age of the plant has exceeded 25 years and the productivity of FFB production has decreased (<23 tons FFB ha/year). The realization of replanting up to July 2017 is an area of 542.01 ha. Meanwhile, replanting activities at Nenggala Estate has been completed in 2016.

Status: Comply

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

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

4.1.1

There was no change over the procedure for cultivation and processing since ASA-3 until ASA-4. PT SMART as a parent company of PT Ivomas Tunggal has documents of SOP Technical of Oil Palm Cultivation starting from land clearing up to harvesting, approved by SMD Ops and entered into force on 12 June 2012. The SOP documents among others about planning of new area planting, replanting plans, nurseries, land clearing, planting, replanting, pest and disease control, weed control, fertilization, maintenance of immature plant, preparation ahead of harvest, harvesting, loading and transportation of FFB and measurement of rainfall by ombrometer. That SOP's is available on audit site (Estate office) and written in a language that is easily understandable for workers (written in Bahasa).

Interviews were conducted to 4 harvester in block B27 NGLE, 4 harvester in block 12 SRKE, 2 pesticides applicator and 2 manuring worker in block B14 NGLE, 3 pesticides applicator and 5 manuring worker in block 04 SRKE and 8 workers in Libo POM (3 grading workers, 2 boiler operator, 1 engine room operator, 1 welder and 1 hoisting crane operator). Based on the results of interviews can be concluded that the workers understand the duties and responsibilities of their work in accordance with the applicable SOP.

4.1.2; 4.1.3

Certificate holder has a procedure associated with operational internal audit in the SOP No. SOP-ISCC/IMT/OIA. The SOP approved by VPA and VPM, entered into force on 1 September 2010. Ensuring consistency of procedures implementation, the companies routinely conduct internal audit activities both agronomic and processing. It is held by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit on first semester of 2017 has been documented. Non-compliance records of internal audit has been corrected and verified by management. There is no revision of SOP at the ASA 4 assessment. In each SOP, there is page of document control that record the revision if any.

4.1.4

Libo Mill has record the origins of all FFB source. The result of field visit, document review and interview with the management, known there is no FFB sourced from third party but there is FFB source from scheme smallholder that also has been certified.

Status: Comply

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

4.2.1; 4.2.3

The company has had a procedur to manage and maintain soil fertility (SOP of Manuring: SOP/SMART/MCAR/IX/TA-PPK). The SOP approved by SMD Ops on 12 June 2012. Maintenance in accordance to maintain soil fertility Certificate holder conducted manuring activities accordance with recommendation from research, POME applications, and maintain cover plant such as Nephrolephis.

Certificate holder has routinely monitored the changes on the nutrient status based on the regular soil sampling unit (SSU) and leaf sampling unit analysis (LSU) to determine fertilizers recommendation. The sampling spot has been determined in each division and block routinely by SMART Research Institute (SMARTRI) and it is supported by well-trained census Officer in each estate. The result of leaf sample analysis has been received. Meanwhile, the soil sample is being analyzed. SSU is conducted every 5 year for trees with age of 3, 8, 18 and 23, meanwhile LSU is conducted annually. The last SSU

result in SRKE was issued on 25 June 2015 with 36 sample, in NGLE was issued on 30 April 2015 with 32 sample. The last LSU result in SRKE was issued on 9 March 2017 with 75 sample, in NGLE was issued on 8 April 2017 with 38 sample, in STPA KUD Karya Tani was issued on 1 April 2016 with 24 sample and KUD Bangun Desa was issued on 15 June 2016 with 46 sample.

4.2.2; 4.2.4

NGLE, SRKE and STPA (KUD Karya Tani and KUD Bangun Desa) shown the plan and the realization of fertilization for semester 1 of 2017. Based on document review and interview with the staff, the realization of fertilization in NGLE and SRKE did not reach 100%, but in STPA 100% completed. The company justification is because the stock of fertilizer is not available during semester 1 and is available in semester 2. While for the old planting year that to be replanted (in 2018 and 2019) is no longer manuring activity in SRKE. According to the procedure (SOP/SMART/MCAR/IX/TA-PPK), there is no manuring activity two years before replanting.

Certification holder has implemented nutrient recycling using EFB and POME as a way to improve the soil fertility. Libo Mill also utilizes fiber and kernel shells as a boiler fuel material. There is documents of program and realization of EFB and POME. During this audit ASA-4, there is no EFB application in NGLE, The EFB application is focused on SRKE, but there is the record of it. It application in SRKE during 2017 was in 842,09 Ha area with 30 ton/ha/year dosage. POME application focused on LIBE. Based on field observation in Libo Mill, there was pumping of liquid waste activity and the results of observation in the flowmeter of liquid waste showed the recording of liquid waste discharge applications performed by special officers every day and flowmeter conditions function normally.

	Status: Comply
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4.3

Practices minimize and control erosion and degradation of soils.

4.3.1

CH has a semi-detailed soil map of Scale 1: 50,000. The map consists of Land Map Unit (SPT), Soil Classification, Topography (percent and degree), Soil Texture, Depth (solum And effective), drainage, land suitability classes, limiting factors and hectarage. There is no fragile soil in the operational area of PT Ivomas Tunggal.

4.3.2

Certificate holder has procedure of planting management in specific slope. One of strategy to manage area with specific slope is regarding to SOP on Land Clearing and Planting (No. SMA/MCAR/05/05-07). Several applied management strategy are constructing terrace, contour, conservation terrace, individual terrace with silt pit and conservation plant planting. The land management action for particular slope especially the one that is indicated having more than 15% slope are by maintaining terrace construction and frond stacking surrounding plant circle, weeding surrounding plant circle and interrow and by letting wild plant growing to prevent erosion such as *Nephrolepis bisserata* and an measuring the erosion. Based on field observation at Nenggala Estate planting LCC on Year Planting 2013, Block C31 Division 3 planting *vertiver* and *guatemala* on the road cliff.

4.3.3

In general, from document analysis known that the road maintenance in Nenggala Estate and Sei Rokan Estate has been conducting well. Current road maintenance activity are grading and hardening road by gravel and road grader. Based on field observations, main roads and collection roads are in good conditions. The drainage system is well organized to ensure passable in all weather conditions.

The management unit can show the work program of KUD Bangun Desa and KOPSA Karya Tani for the period of 2017. Road improvement program is implemented twice a year in each farmer group. Transportation in smallholder's area was fully land based. Based on observation to operational areas in block F16 until F19 (members of KUD Karya Tani) and block G19 until G22 (members of KUD Bangun Desa), it was found that road conditions were generally well maintained, hence FFB transportation to the mill was smoothly runs. KUD officer, group smallholders and members stated that PT Ivomas Tunggal has support road and accessibility maintenance by incidental condition

4.3.4, 4.3.5, 4.3.6

As explained in the previous assessment activities, based on the Environmental Evaluation Study document which has been approved by the AMDAL Commission of the Ministry of Agriculture no. RC.220/1052/B/VI/93 dated June 22, 1993, it is known that there is no peat land in the area cultivated in PT Ivomas Tunggal. Besides, based on field observation, there is no peatland in the operational area estate of PT Ivomas Tunggal and operational area smallholders members of KUD Bangun Desa and KOPSA Karya Tani.

Status: Comply

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

4.4.1

Certificate Holder has a water management plan that take account of the efficiency of use and renewability of sources. That's management plant has described in EIA report Semester 2 of 2016. The Plan had described the objectives such as water sources including catchment pond, rainfall records, water requirement, current, water quality and contingency plan.

According to environment monitoring program analysis, it was informed that the management unit activity has not give negative affect and already the standard required (PP No. 82/2001 Class 2). Moreover, domestic housing well and consumption water from reverse osmosis testing shows that all parameters are accordace with Minister of Health Regulation (Permenkes) No. 416/1990 and Permenkes No. 492/2010.

4.4.2

CH has identified rivers and wetlands inside plantation area. Analysis of HCV containing distribution maps of the river in the area of PT. Ivomas Tunggal. Based on the identification documents of High Conservation Value (HCV) 2009 is known there is river in the libo estate.

All identified buffer zone has been designated as HCV and protected areas. Evidence of surface water flow protection measures and including riparian such as:

- Determination of river buffer zone with a distance of 50 meters left-right of Small River Demarcation of the border is done with the installation of boundary markers.
- Periodic water quality testing every three months with the parameters in accordance of environmental quality standards as stipulated in Government Regulation No. 82 in 2001.
- No chemicals application (fertilizers and herbicides) in the buffer zone area,
- Signboard of river buffer zone protection. Prohibiting the use of chemicals in the river buffer zone.

Smallholder scheme of Sungai Tapung Plasma:

In an effort to protect riparian area of STPA Unit refer to SOP of Management and Monitoring of natural resources (doc. No. SOP/SMART/BCOS-EHDS/SADV/I/004, 1st July 2014) that explain about appointment and protect the river border. Based on field visit in division 1 of Karya Tani Cooperative number. calving 1823 known that Karya Tani Cooperative unit already done water source management, such as:

- Signboard prohibition chemical application on riparian.
- Signboard of HCV area, prohibition of hunting, and poisoning fish.
- Determination of river buffer zone with a distance of 50 meters left-right of Small River Demarcation of the border is done with the installation of boundary markers river border.
- Planting a Vetiver grass, Guatemala, and Bamboo.

4.4.3

Effluent has processed on the waste water treatment plant (WWTP). Monitoring of quality effluent has carried out every month regularly and reported to Environment Agency every three month. Monitoring of effluent in WWTP outlet were carried out by accredited laboratory. Libo Mill have 8 ponds to process the effluent to fulfil the standard required Minister of Environment Decree (KepmenLH) No. 28 year 2003 (pH 5-9 and BOD <5,000 mg/l). Based laboratory testing, it could be concluded that testing results from July 2016 to June 2017 were accordance with PermenLH No. 28/2003. Based on field visit in Libo Mill, no indication over flow effluent in WWTP, flow meter was well functioned and there is no issues from stakeholders related to land application. Permit of effluent utilities was accordance decree environmental agencies

Number 03/BLH-S/KPTS/2015 dated May 29 2012, valid for five years.

4.4.4

Results of Interviews and field visits it was obtained information that the water used for mill processing activities comes from Tantara river. The use of water has been monitored on a daily basis by using flow meter gauges. SOP for water use monitoring available in work instruction for water treatment plant. Records of daily water use were then collected and compared with the per tonne of FFB processed to check efficiency of water use in mill. The average ratio of water consumption for the last 6 months (January – June 2017) was 1.27 m³/ton FFB and was below the water consumption budget (1.50 m³/ton of FFB). The company has a water utilization permit in accordance with the Decree of the Minister of engineer Number. 915 / KPTS / M / 2016 date November 14 2016.

Status: Comply

4.5

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

4.5.1

The activity budgeted on the program were consist of detection, census and monitoring of pests and diseases attack, biological control such as barn owl nest installation and planting of beneficial plants. According to IPM activity records for January to June 2017 such as program and realization of rat census in SRKE, NGLLE and STPA, leaf eating caterpillar census, it could be concluded that all the census results were still under its economic threshold. This may lead to zero use of pesticides for pests and diseases control. Furthermore, according to pesticides used record in 2016-2017, agrochemical uses was only implemented for weeds control purposes.

Certificate holder has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box as a mechanism to control rat. Certificate holder monitoring barn owl box occupation at least once a month. The monitored parameter are the existing of barn owl in the boxes, left food, and sign of reproduction such as egg or owl. Currently, there are total 177 barn owl boxes in Sei Rokan Estate, 91 barn owl boxes in Nenggala Estate and 69 barn owl boxes in Sungai Tapung Plasma (KUD Karya Tani and KUD Bangun Desa).

4.5.2

There is a record of integrated pest management training Siak Region held by SMARTRI, on 7 June 2017, attended by 78 employes consisting of cencus operators, supervisors, and field assistants. The training materials covered detection and cencus, biological control, mechanical control, chemical control, as well as beneficial plant.

Status: Comply

4.6

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

4.6.1

PT SMART as a parent company of PT Ivomas Tunggal has SOP and work instruction on weeds management, the guidance covering about chosen, storage, application, contaminated handling, known about signs and symptoms of pesticides poison and first aid for poison case. To ensure pesticide used are in accordance with the target, certificate holder conducted identification the type of weed found in operational area. Based on document verification it's known that the herbicide being used is appropriate for the target or type of weed. Certificate holder used Isopropil amina glyphosate, Metil metsulfuron, and Amonium glufosinate, which have received permission from the government.

4.6.2

Sei Rokan Estate, Nenggala Estate and also Sungai Tapung Plasma has documented records of pesticide toxicity in the document of Monthly Pesticide Toxicity Data. The document is recorded product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, and dosage/ha. This document is constantly recorded and updated by the sustainability officer of estate each month. During the assessment, there is no pecticide application regarding second round programme already finished and herbicide stock was empty.

4.6.3

Certificate holder has implemented integrated pest management in order to reduce pesticide usage. Based on document review and field observation, several IPM program with biological approach that has been implemented such as rat control by *Tyto alba*, and leaf eater caterpillar by planting beneficial plant such as *Turnera subulata*, *Casia tora*, *Antigonon leptosus* and *Euphorbia heterophylla*. Certificate holder has trend chart pesticide use from 2015 to 2017. The use of pesticides declining since the certificate holder implemented IPM.

4.6.4

On the August 2015, President Director of SMART Tbk issued a memorandum not to use paraquat in 2016. Regarding to *Pesticides that are categorized as WHO Class 1A or 1B, there is Social and Environment Policy that stated minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances.* Based on document review, there is no paraquat or WHO Cass 1A or 1B application in 2016 until June 2017.

4.6.5, 4.6.7 and 4.6.9

The results of field observation in warehouse and interview with 2 sprayer of NGLE division 2 in block B14 and 3 sprayer of SRKE division 1 in block 04, it is known that the employees have been given regular training in safe work practices. This was evidenced by the employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The sprayer also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as mask, gloves, safety shoes, apron and googles. In addition, employees are also informed about the steps of secure work in each roll call in the morning before work.

4.6.6

Certification unit has a SPO material management and the displacement, explained the material characteristics and hazardous chemicals. The worker who control the chemical a warehouse clerk and chief warehouse. The expired chemicals will be stored in hazardous waste warehouse or be returned to supplier. Based on field visit in Chemical warehouse Sei Rokan Estate and Nenggala Estate is known, there are signboards and hazardous symbols maintenance chemical by category, Material Safety Datasheet (MSDS), chemical logbook, emergency response, personal protective equipment and OHS management.

Certification unit has record of handover the ex pesticides container which come from Sei Rokan Estate to supplier. Based on field visit in housing Nenggala estate, Sei Rokan estate and landfill is known there are not ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not similar.

4.6.8

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

4.6.10

Certification unit has a SOP about waste management published on July 2, 2014. SOP explained that the ex agrochemical containers washed three times and stored in the warehouse to be returned to the supplier. Certification unit has agreement with supplier for transport the former pesticide container which valid until 21 March 2018. Certification unit also has a work instruction of washing and cleaning of used pesticide containers. SOP explained that the former pesticide containers were washed 3 times (according to the MSDS) and used washing water is re-used for spraying. All discarded containers of chemicals generated by estate and mill, placed in hazardous waste warehouse.

Record of hazardous waste management included in report of hazardous waste management which quarterly sent to environment agency, such as report of on January to March 2017. The training and socialization to spraying workers, about ex pesticide container disposal is available.

Ex pesticide container from smallholder is sent to PT Ivomas Tunggal as a company partner. The record of handover from smallholder to of Sungai Tapung Plasma such as:

- Minutes of letter May 31 2017 relayed to handover ex-herbicide container from Sungai Tapung Plasma Estate, which

the package already through washing procedure. Ex-herbicide container such as 42 pieces Glyphosate and 390 pieces fluroxypyr had been delivered by Estate manager to PT Rolimex – Pekanbaru.

- Minutes of letter May 31 2017 related to handover ex-herbicide container from Sungai Tapung Plasma smallholder group, which the package already through washing procedure. Ex-herbicide container such as 13 pieces Glyphosate and 130 pieces fluroxypyr.
- Minutes of letter April 29 2017 related to washing ex-herbicide container from Bangun Desa smallholder group. Ex-herbicide container such as 7 pieces Glyphosate and 68 pieces fluroxypyr on rinse house then had been delivered to Sungai Tapung Plasma smallholder group.
- Minutes of letter May 31 2017 related to washing ex-herbicide container from Bangun Desa smallholder group. Ex-herbicide container such as 6 pieces Glyphosate and 62 pieces fluroxypyr on rinse house then had been delivered to Sungai Tapung Plasma smallholder group.
- Minutes of letter washing ex-herbicide container march 30 2017 in Karya Tani Village smallholder group consist of 6 pieces Glyphosate and 56 pieces Starane.
- Minutes of letter of washing ex-herbicide container on May 3 2017 in Karya Tani village smallholder group consist of 4 pieces Glyphosate and 37 pieces Starane.

4.6.11

Certification holder regularly have a medical examination for pesticide operator. Sei Rokan Estate has a list of the latest pesticide operator as many as 59 people, while in Nenggala Estate has 15 people and Sungai Tapung Plasma has 24 people. All workers spray has examined health through inspection types of cholinesterase and spirometri, to ascertain the condition of workers in good health. This semester examination was conducted in 17 and 20 May 2017 for all units. Examination results stating that all workers spray are in a healthy condition (normal result).

4.6.12

Certificate holder has a policy that prohibits pregnant and lactating personnel working with chemical material. Based on interview with spraying personnel, it is known that there was neither pregnant nor lactating female personnel who work with pesticide. Moreover, company conducts pregnancy test and examination every month. Audit team also got information that the personnel have understood that female personnel cannot work with chemical material if they are pregnant or lactating.

Status: Comply

4.7

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

4.7.1

The company has had a policy of occupational safety and health were written in Bahasa. The policy has been legalized and updated on 1 November 2013 by President Director of PT SMART. This policy is designed to control hazards in every activity that is in the working environment to prevent accidents and occupational diseases. It has been disseminated on the activities of the safety briefing before doing the work, such as documentation on 11 February 2017. Management have work program of occupational health safety every year. Realization of the program of work will be monitored through regular meetings Guiding Committee of Occupational Safety & Health every month. This work program applies generally to all workers in the workplace. If the plans have been made yet on target then will be evaluated in the management review to assess effectiveness.

Interviews were conducted to to 4 harvester in block B27 NGLE, 4 harvester in block 12 SRKE, 2 pesticides applicator and 2 manuring worker in block B14 NGLE, 3 pesticides applicator and 5 manuring worker in block 04 SRKE and 8 workers in Libo POM (3 grading workers, 2 boiler operator, 1 engine room operator, 1 welder and 1 hoisting crane operator). Based on the results of interviews can be concluded that workers understand the OHS policy and it's recognized that every morning meeting is always affirmed about the importance of safety and the use of PPE in work.

4.7.2

Certification holder shown the document of hazard identification, risk assessment and risk control which issued on January 2017. It will be reviewed if any occupational accident happen. The document describes the description/activity, potential hazards, risk assessment and risk control. Identified activities already cover all existing activities at Sei Rokan Estate,

Nenggala Estate, Libo Mill and Sungai Tapung Plasma.

Based on site observation at workshop and agrochemical warehouse in NGLE, SRKE and LIBM, it was clearly confirmed that workers had been aware related potential risk and hazards in the work place. Following up on this, the company has been reduce the potential risk by providing PPE and OHS signboard are available in workplace.

4.7.3

Based on documents verification and interviews, it is known that all operators at Libo Mill, Sei Rokan Estate and Nenggala Estate already have license, such as boiler operators, lift carrier operators, welders and electrical technician.

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

4.7.4

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

4.7.5

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

Libo Mill, Sei Rokan Estate and Nenggala Estate has already licensed first aid officers and there was first aid internal training conducted on 19 April 2017 in Ujung Tanjung Training Centre which was attended by 82 participants. Unit certification also has a first aid kit in each unit and based on observations, it's concluded that the contents in the first aid box are sufficient. There is also a checklist of observations of the contents of first aid boxes routinely performed every month by first aid officers.

4.7.6

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

Based on interviews with LIBM, SRKE and NGLE employees, concluded that all employees were aware of the medical service procedures in the event of an accident or illness. All employees interviewed also claimed to have a health BPJS card, if they went to a company clinic there was no fee at all.

4.7.7

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

Status: Comply

4.8

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

4.8.1 and 4.8.2

The management unit PT Ivomas Tunggal consistently prepare annual training program for all staff, workers, smallholders and contractors, as well as documenting and evaluating the training program has been developed and implemented. Training programs period 2017 cover aspect in Princip and Criteria RSPO ie OHS training (PPE management, HIRAC, fire extinguisher and Hydrant simulation, First Aid, Emergency Response, OHS for contractor), the risk of exposure to pesticides, IPM, MSDS, prevention of harassment or abuse in the work place and protection of reproductive rights, HCV management, etc.

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

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

- The first aid training for the foreman was conducted on April 19, 2017 with a trainer of company physicians who already have HIPERKES certificate.
- Agronomic technical training (harvesting, FFB quality, road maintenance, fertilizing and crop maintenance) for smallholders members KUD Karya Tani dan KUD Bangun Desa conducted on January 25, 2017.

Based on interviews with harvester in Block B27 Division 2 Nenggala Estate, pesticide operators in Block B04 Division 1 Sei Rokan Estate submitted that the workers have received training related to the field work and be briefed on the activities of the morning briefing to ensure workers can work in accordance with procedures established by the company.

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

Status: Comply

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

5.1

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

5.1.1

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

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

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

Environmental document for scheme smallholder of Sungai Tapung Plasma is integrated within EIA report of PT. Ramajaya Pramukti made in 1993. During preparation of EIA document, surrounding communities and smallholders already involved in participatory ways. For instance, collecting data related to Social, Cultural and Economic aspects.

5.1.2

The Company has conducted environmental management based on addendum documents of Environmental Management Plan / Environmental Monitoring Plan, 2015, among others:

- Impaired air quality and noise. Provide an earplug to workers who are in a place that has high noise and installing emission and gas control equipment in the chimney generators, boiler and furnace.
- Potential Land Fires. Management plan is a prohibition use of fire, make warnings, preparing fire control devices, socializing to workers, forming a fire control team.
- Impaired Surface Water Quality and Water Biota. Management plan is periodic testing to surface water and water biota, managing effluent.
- Fresh water and ground water quality. Management is minimizing the generated waste and reviewing all activities that produce waste, especially the utilization of land application.
- Potential of Erosion. The company carries out management with terraces, drainage and monitoring and measuring high erosion areas.
- Growing Plant Pests and Diseases. The Company manages the use of dosage based pesticides, IPM and biological control.
- Increase Business Opportunity and Community Income. The Company manages the management by increasing the recruitment of local worker.
- Increase Community Income. Opportunity of entrepreneurship, employment training.
- Perceptions of the community. The company manages and applies the proposed community empowerment program and the implementation of the Community Development program.
- Roadway infrastructure. The company carries out the management by installing traffic signs, frequency of transportation and tonnage, reducing transport speed and performing road maintenance according to the program.
- Occupational Health and Safety. Managing in a way create of SOPs, complementing PPE, providing OHS training, monitoring workers' discipline, MCU and training to employees of special jobs.
- Medical waste. Manage infectious waste according with regulation

Records of implementation of Environmental Management describe in RKL-RPL implementation report 2nd semester 2016 and has been reported to environment agency. According to interview with sampled of smallholders onsite, the environmental risks and impacts is already understood by the farmers. At least, they can explained the environmental impacts from its activities (manuring, spraying and management hazardous waste).

5.1.3

Implementation of environmental monitoring was described in RKL-RPL implementation report. Based on the RKL-RPL implementation report of semester 2 of 2016 known there isn't negative impact caused by CH. The result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government. Interview with environmental agency of Siak district show that CH has been submit the RKL-RPL implementation report every six month and there isn't negative impact caused by CH.

	Status: Comply
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5.2

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

5.2.1

HCV Assessment was conducted by Environment Department of PT. SMART Tbk on 2009 (internal HCV assessor team). Assessor team consist of 6 persons, Lead Assessor has been approved by the RSPO, assessment conducted by using identification guidance of high conservation value in Indonesia issued by Indonesia HCV toolkit consortium, June 2008. The result of HCV identification on 2009 are HCV 1.1, HCV 4.1, 4.3 and 6, which area of 277.709 ha consist of Tantara river Riparian, swamp and cemetery.

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

5.2.2

The company has HCV management plan document period of 2016, the program consist of :

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

Based on field visit on HCV area of Sei Rokan estate block C06, C07, C08 is HCV 4.1 and 4.3 ecosystem service, known that the company has carried out the management and maintenance of HCV area in accordance with management plan, for example signboard HCV installation and signboard RTE Species and in natural vegetation.

Has been managed well and in accordance with the management plan by the company. The company was able to shows monthly monitoring of Fauna report and monitoring/maintenance of marking poles HCV in E 7/D7 Ujung Tanjung Estate which conducted weekly. It was reported that there were no conflict between human and wildlife.

HCV management plan document period of 2016 for smallholder scheme of Sungai Tapung Plasma, the program consist of :

- Monitoring of RTE species
- Monitoring of HCV attribute
- Monitoring of HCV area in three monthly basis and monitoring of HCV rehabilitation

Based on interview with smallholder group of Karya Tani (number calving 1825 and 1824) known that the socialization related to protected species and HCV has been done. Based on field visit in riparian Bangso river calving number 1822 be found HCV signboard, RTE information signboard and marking of chemicals application borders.

5.2.3

Disciplinary action to the employee who catch, hurt and/or collecting RTE species has been explained on document of Internal Office Memo of MD Services & Project No. 1231/M-Int/ MDSP-VIC/XI/11 dated 25 November 2011 in term of Zero Tolerance policy against Endangered Animal.

Training and socialization on RTE species and sanction programmed and conducted routinely, for examples training on 23 March 2016 and 24 March 2016 as many as 53 attendants. Meanwhile, socialization on RTE species to the workers also conducted in time of muster morning including socialization of sanction. It also has been verified during interview with the workers in field and emplacement.

Based on interview with surrounded community, it was state that the CH has conducting socialization on HCV area and protected fauna within estates operational areas which also informed by signboard. Moreover, there were no protected fauna on estate offices and employees housing areas in both Sei Rokan estate and Nenggala estate.

5.2.4

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

relevant Agency. Monitoring of RTE species has been conducted routinely, the monitoring result will be input in the next monitoring plan.

Monitoring and patrol has been conducted routinely in smallholder scheme of Sungai Tapung Plasma, foreman is the responsible officer to conduct monitoring and patrol, conducted every week.

5.2.5

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

Based on document verification and field observation, interview with workers, surrounded community and related institution known that the identified HCV area on STPA is only cemetery covering 8.5 Ha.

Status: Comply

5.3

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

5.3.1

The entire products of waste and it sources have been identified and documented in the identification list document of Environmental Aspects on 2017. For examples of waste products sourced from FFB trucks, emissions/smoke that comes from FFB trucks/CPO, waste from used sacks, emissions/smoke that comes from generators, emissions/smoke coming from the chimney boiler, spilled diesel/oil sourced from the generator engine, oil drums sourced from the workshop, former battery/former dust cloth/used lamp sourced from materials warehouse, chemical packaging former derived from chemical warehouse, effluent that sourced from the former chemical bottles derived from laboratory, effluent that comes from FFB processing, and others. Other that, company has SOP of hazardous waste handling Number SOP/SMART/LEMS-EHSD/SADV/II/002, 1 July 2014 owned by the company describes the waste (domestic and hazardous waste) management program, as follows:

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

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

Smallholder scheme of Sungai Tapung Plasma:

Management plan of generated hazardous waste described in the form of pesticide ex-container management workflow, by stages: collecting, triple rinsing and reused/returned to supplier.

5.3.2

Company conduct an inventory of the waste described in the document Evaluation Aspects of 2017. The result of inventory in Libo Mill and Estate such as spray activities produce waste, such as former pesticide container placed in hazardous waste warehouse, preparation and maintenance block mark, such as former paint cans, placed in hazardous waste warehouse, plastic waste fertilizer, placed in hazardous waste warehouse. And then in Libo Mill, such as Activities in the loading ramp, used sacks loose fruit placed in landfill, in WTP, waste resulting is ex chemical container placed in hazardous waste warehouse.

Based on field visits in chemical warehouse Sei Rokan Estate, Libo Estate and Nenggala Estate (central warehouses) is known the resulting, former chemicals container be placed to hazardous waste warehouse. Record management Hazardous Waste, included in reporting management hazardous waste quarter period January to March 2017 addressed to environment agency. The Training And socialization to spraying workers, about ex pesticide container disposal is available.

5.3.3

Record management Hazardous Waste, included in reporting management hazardous waste quarter period January to March 2017 addressed to environment agency. Hazardous waste management recorded several documents, consist of:

- Company has Logbook (Hazardous Waste Warehouse) period January to March 2017
- Company has Balance Hazardous waste warehouse reported period January to March 2017
- Company has Agreement Letter, PT Primanru for transporter Hazardous waste
- Company has shipping manifest Hazardous waste warehouse, period January to March 2017

Based on field visits in the boiler station any a fiber and shell is used as fuel. Remaining fiber shell and placed so did not result in pollution and potential fire. Certification Unit has minutes of meet ex packaging pesticides which come from Nenggala Estate, Sei Rokan estate, Sungai Tapung Plasma and Libo estate to supplier. Based on field visit in housing Sei Rokan estate and Nenggala landfill is known there are no ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not Similar.

From processing operations in Mill also produce waste in the form of air emissions from the boiler chimney activity, and generators, as well as the noise emanating from the operational turbines, generators, polishing drum rotation, nut creeker. To manage that the certification unit conduct routine maintenance of mechine and monitor the air quality and noise on a regular basis, such testing on October 21, 2016. The results of the emission test parameter generator with NO2, SO2, CO, particulate, opacity, and flow rate in accordance with the quality standards established at Regulation Of Environmental Ministry No. 21 of 2008.

Medical waste is stored in the Hazardous Waste Storage and subsequently handed over to third party which has licensed. Medical waste transported by licensed transporter. The last sent of medical waste is April 18, 2017 with Hazardous Waste manifest No. AWE 0000006 with a weight of 0.035 tons of medical waste.

Domestic waste generated from housing, office, workshop and warehouse in the form of organic and inorganic garbage dumped into waste landfill is located away from employee housing and water resources. Based on field visit known that waste landfills form of dumping system (digging and stockpiling).

Based on verification document PT Ivomas Tunggal has Agreement Letter with licensed transporter for Hazardous waste which expired in 13 June 2017, but the last delivery of hazardous waste was June 9, 2017. Auditor giving notes on this indicator as an Observation and will be verify in the next assessment. **(OFI)**.

	Status: Comply	
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5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.

5.4.1

The Company already maximizing the use of renewable energy (fiber & shell) as boiler fuel. For example use of shells and fiber in March 2017 was 2,539,000 kg, which produce 513,170 kWh of electricity from turbine. Renewable energy use per ton of palm product in the mill is 0.08 kwh / ton FFB. Result Direct fossil fuel use is 9.048 kWh/ ton FFB.

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

5.5.1 and 5.5.2

Based on Sinarmas Technical Guidelines for Palm Oil Cultivation point 5 on land preparation and planting No. SMA /

MCAR / 05 / 05-07 states that in the context of land preparation should use the principle without burning (Zero Burning). The company has conducted socialized to prevent land fire such as on 15 March 2016 in Kampong Betulo, Bekalar Village. Based on field visit in Nenggala Estate and Sei Rokan estate, there is no indication of burning activity for land clearing activity.

Status: Comply

5.6

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

5.6.1

The Company has GHG emission mitigation mechanism (SOP / IMT / GRK document) effective April 5, 2012. Identification of GHG sources has been done, as follows:

- Emissions derived from the consumption of fossil fuels for internal transportation of gardens and machinery.
- Emissions derived from the use of fertilizers,
- Emissions derived from the use of pesticides
- Emissions derived from the consumption of fossil fuels at the plant, and the use of factory byproducts.
- Emissions from Palm Oil Mill Effluent.

The management unit has identified the sources of pollution and emissions in the mill and estate.

5.6.2

The Company periodically per 6 months has been testing the sources of emissions and pollutants, as indicated by the test results semester 2 years 2016 with test results that are below the threshold. Based on field interviews obtained information that farmer groups have a fertilization work plan based on recommendations from the company, spraying activity schedule and the use of to reduce the use of rat poison. In addition, smallholder cooperation also has a wash facility for spraying equipment.

5.6.3

Available proof of delivery of GHG RSPO performances as follows: Libo Mill, dated July 29, 2017.

Summary of Net GHG Emissions periode Juli 2016 – Juni 2017 sbb:

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	0,35	OER	20,28	FFB Processed	313.386,81
PK	0,35	KER	5,3	CPO Produced	63.561,24

Land Use	ha
OP planted area	18.698,53
OP Planted on peat	0
Conservation area	579,56

Summary of Field Emissions and Sinks

	Own Crop			Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions									
Land conversion	78.653,81	6,49	0,44	46.036,17	9,88			124.689,98	16,37
*CO ₂ emissions from fertilizer	7.985,82	0,67	0,05	5.123,24	1,1			13.109,06	1,77
**N ₂ O emissions	8.848,79	0,73	0,05	4.182,21	0,89			13.031	1,62
Fuel consumption	1.163,75	0,1	0,01	0	0			1.163,75	0,1
Peat	0	0	0	0	0			0	0

Oxidation									
Sinks									
Crop sequestration	-87.567,82	-7,15	-0,48	-43.636,18	-9,36			-131.204	-16,51
Conservation Sequestration	-1.366,86	-0,12	-0,01	0	0			-1.366,86	-0,12
Total	7.717,49	0,71	0,05	11.705,44	2,5			19.422,93	3,23

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	8.156,43	0,03
Fuel consumption	289,39	0
Grid Electricity Utilisation	0	0
Credits		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	8.445,82	0,03

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0
Divert to anaerobic digestion	0

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	0
Divert to methane capture (flaring)	34%
Divert to methane capture (electricity generation)	66%

The STPA scope has been included in the GHG calculation for Libo mill.

Status: Comply

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

6.1

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

6.1.1

Social Impact Assessment PT. Ivomas Tunggal first done in 2009. In 2012, there is a Revised Social Impact Assessment Report (SIA). The documents explain of positive and negative impact of the company operation which also equipped with management & monitoring advice.

6.1.2

In Social Impact Assessment Report PT. Ivomas Tunggal in 2009, there are affected parties, among others: communities from 8 villages and 3 sub villages, employees / factory workers and estates. 8 villages in the vicinity of PT. Ivo Mas Tunggal are: Samsam Village, Kandis Village, Belutu Village, Libo Jaya Village, Pencing Bekulo Village, Jambai Makmur Village, Gondang River Village and Bekalar Village. While 3 urban villages are: Kandis Kota, Simpang Belutu and Telaga Samsam.

There is also evidence of absenteeization of plantation environmental socialization conducted on 27 February 2015 which was attended by 54 participants.

Document Survey Social, Economic, Cultural and Community Perceptions In The surrounding Village Plantation / Factory PT. Ramajaya Pramukti, November 2010 Location: Petapahan Village Cermin Beach Village, Sari Galuh Village,

Sukamaju Village, Koto Bangun Village, Cinta Damai Village, Kotabaru Village, Beringin Lestari Village, Sibuat Village, Sei Lembu Makmur Village, Kinantan Village and Muara Village New Mahat. The document has been socialized to the farmers group on July 29, 2010 (available Attendance List of Participants). All Plasma farmers are included in the SIA assessment process.

6.1.3

The Company shows documents on monitoring and management of plantation social impacts and mill of PT Ivomas Tunggal (Libo Mill, Sam sam Mill, Ujung Tanjung Mill, SRKE, NGL) implementation period August 2015 - August 2016 which informed of positive and negative impact, equipped with their social impact programme realization.

There is prove of social communicationAs exemplified by the documentation of social impact monitoring as follows:

- July 11, 2017 at: Simpang Belutu village 2 village apparatus, 2 people in Sakai Libo Jaya
- On 12 July 2017 at: Belutu village 3 participants village officials, 2 people in the village of Kandis Kota, 2 people in the village of Sam Sam Sam.
- On July 13, 2017 at: Kandis village 3 participants of village officials, 3 people in the village of Sungai Godang.
- On July 14, 2017 at: Sakai Desa Desa Bekalar 2 people.

A management and monitoring plan is made for a period of 1 year. Responsible SIA is manager in every estate and mill assisted by SPO Officer and other related staff.

6.1.4

There is a review report on monitoring and management of the social degradation of plantations and mill of PT Ivomas Tunggal for the period September 2015 - August 2017, whose report was completed in July 2017. The scope of plasma has been included in the review of monitoring and management reports of the social impacts of PT Ramajaya Pramukti's plantation and palm oil plantations from January 2015 - December 2016, whose report was completed in July 2017.

Major impacts that affect communities from company operations: availability of employment, community economic development, flood potential, water quality, replanting impact, business opportunity. As for the plasma plantation scope that is: the potential of river water pollution from the factory, the repair of damaged roads in the village, the villagers' concerns over the existence of the company's drilling well, giving social assistance.

Available documentation of social impact monitoring activities as follows: dated May 9, 2017 at Sukamaju village, Kota Bangun village and Beringin Lestari village, May 8, 2017 at Cinta Damai village on May 6, 2017 in Sei Jambai Makmur village.

Based on interviews with land-owning farmers and management of Karya Tani and Bangun Desa smallholder cooperation, it was found that villagers generally felt a positive impact of cooperation between landowners and companies, whether in the fields of economy, employment, infrastructure and others.

6.1.5

PT Ivomas Tunggal does not have a plasma plantation obligation, but Libo Mill receives FFB from plasma farmer of Sungai Tapung Plasma partnership with PT Ramajaya Pramukti.

Based on interviews with farmer group partnership of Karya Tani and Bangun Desa smallholder cooperation, obtained information that although the cooperation is not done in form of full managed scheme, but the company still provide coaching in the field to the cooperation and members of farmer groups through the establishment of staff assistance in smallholder plantation, ranging from managers to corporate supervisor.

	Status: Comply
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6.2

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

6.2.1

The Certificate holder already has a recording of a list of stakeholders that has been updated July 19, 2017 that explains the name of the institution / organization, address, contact number and name of the person in charge. The Company has SOP Communication and Consulting (SOP / SMART / GENERAL / SAD VI / 004 Published Date July 1, 2014). The Communication and Consultation Procedure explains to the user about the handling of communication and consultation related to the application of Sustainability Palm Oil (SPO) principle and requirements in every operational area of palm oil company PT SMART Tbk. This procedure includes guidelines for planning, implementing, on communication and consultation among stakeholders (stakeholders). Procedures are also provided with procedures for implementation, communication responses, and delivery of information to stakeholders, as well as flowcharts that describe in detail the steps of implementation of the activities, along with related documents.

The explanation of the FPIC approach is contained in the SOP on the Implementation of Free Prior Informed Consent. SOP / SMART / SENS-CSR / SADV / I / 003 dated July 1, 2014.

There are examples of communication and problem handling procedures (no document Procedure / 7 / XII / 2009, dated December 27, 2009) of Karya Tani smallholder cooperation, where the responsible are Secretary and Chairman of cooperation in handling communications and problem handling. Furthermore, the procedure is abstracted into the form of communication flow posted on bulletin board in Karya Tani cooperation office. The flow of treatment as follows:

- Incoming letter (request for information / aspiration / request for assistance / incoming letter other than complaint) is recorded in the communication book to be responded by the person in charge of communication, if it can not be responded by the communications supervisor then it will coordinate with the supervisory agency, cooperative office, related, partner companies, other institutions. If it can be responded by the person in charge, it will be issued a letter of response which is also recorded in the communication book.

6.2.2

Appointment of communications and consultants:

- LIBM: Bpk Gede Agus Budiassa / Sub Head Unit LIBM based on letter number 203 / PC-SIAK / SPO / 06/2017 dated June 2, 2017 as social PIC.
- SRKE: Bpk M. Zam zam / Manager SRKE / based on letter number 006 / RC-SIAK / 10/2015 dated October 5, 2015.
- NGLE: Bpk Suprayitno / Manager NGLE / by letter number 010 / RC-SIAK / III / 2014.

Based on interviews with stakeholders (Village Head Belutu, Sam Sam and Village Head of Jambai Makmur) obtained information that the village has known the procedures and mechanisms in communicating with the company. The villagers explained that they communicate with the company through a estate manager or factory manager. The results of interviews with the village also obtained information that every request for information or assistance companies always responded by the company.

The person in charge of communication is the secretary and chairman of Karya Tani smallholder cooperation and treasury of Bangun Desa smallholder cooperation.

6.2.3

The Certificate holder already has a recording of the list of stakeholders that was updated July 19, 2017 by the SPO Officer Region describing the name of the institution / organization, address, contact number and name of the personnel in office. Communication between the company and its stakeholders is documented in the Communication and Consultation Book. There was no letter of inquiry until June 2017, mostly in the form of requests for assistance.

The list of stakeholder STPA as of July 6, 2017 is shown for Karya Tani smallholder cooperation and Bangun Desa smallholder cooperation, consisting of: NGO WALHI, Jikalahari, WWF Riau, 6 trade union organizations, 6 heads of plasma head, 1 FFB agent, 4 FFB transporters, 2 contractors, 3 Local communities, 5 village heads, government offices in Kandis and Siak districts, and others.

Available books of complaints, such as grief books for Karya Tani and Bangun Desa smallholder cooperation, where for January - July 2017 there are 7 complaints from the owner of the lot owners, and has been handled entirely, such as complaints dated June 7, 2017 from members of Kota Bangun regarding the damage of portal at H26 block and has been

responded with a portal repair on June 8, 2017.	
Status: Comply	
6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	
<p>6.3.1 There is SOP for Complaints Handling and Dissatisfaction (SOP / SMART / SIGS-CSR / SADV / I / 003), dated July 1, 2014. Administration Head is the person who responsible person to review and follow up the complaint from other stakeholders.</p> <p>Based on interviews with village heads Jambai Makmur, Belutu and Sam sam as well as the chairman of Karya Tani and Bangun Desa smallholder cooperation informed that communication with the company can be done either by letter or directly to the Manager or administration head. The Company continues to facilitate complaints handling in accordance with its own procedures, but until the implementation of S4 is not known there are no significant complaints to be brought to the RSPO.</p> <p>Karya Tani smallholder cooperation and Bangun Desa smallholder cooperation have grievance handling mechanism in the form of groove handling complaints. The groove is a flowchart that is installed in front of the Karya Tani smallholder cooperation and Bangun Desa smallholder cooperation office announcements.</p> <p>6.3.2 Records of complaints handling in the complaint record form and dissatisfaction are as follows:</p> <ul style="list-style-type: none"> • NGL, SRKE, LIBE: no complaints from January 2017 - June 2017. • LIBM: there are 4 complaints in the period January 2017 - June 2017, for example on a leaked roof complaint from workers on behalf of Rohman, the date of May 10, 2017 and already followed up by civilian engineering overseer with the repair of the leaking roof. <p>Company can show documentation of the handling of public complaints about Oryctes sp pests, involving extension officers from the plantation office. Based on information from Sam Sam's village head, Jambai Makmur village head and Belutu village head that there is no complaint about it now.</p> <p>Based on interviews with the heads of Karya Tani smallholder cooperation and Bangun Desa smallholder cooperation, it was found that there were no significant complaints that could hamper the operation of the farmers' land.</p>	
Status: Comply	
6.4 Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	
<p>6.4.1 CH has had SOP for land compensation which describes identification, calculation and compensation for land release mechanism. In this procedure was explained that the process of land identification is involved the community and the village government.</p> <p>6.4.2 & 6.4.3 The results of document review, field visit and interviews show that the CH does not perform new expansion since the last assessment (2016). The latest land compensation has been conducted in 1995.</p>	
Status: Comply	
6.5 Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.	

6.5.1

CH has a document from Governor of Riau No. 20/I/2017 dated January 26, 2017 concerning about Minimum Wage Agricultural Sector/Rubber Plantation, Coconut, Oil Palm and Mill Riau Province Year 2017, as much as Rp. 2,516,812,-. Furthermore, through a Joint Agreement between GAPKI and BKS PPS with PD.FSP.PP-SPSI, SPTP-BUN PTPN V and FSB Solidaritas Indonesia Riau, agreed that the implementation of minimum wage 2017 of Rp. 2,516,812 per month in all districts in Riau Province, and includes the value of natura in the form of rice for the workers themselves by 15 kg or Rp. 135,000 per month, effective from 01 January 2017. It was then followed by letter from CEO of PSM 5 dated April 27, 2017 concerning about its implementation. The implementation is shown through worker salary payment for May 2017 and the additional (rapel) was be paid for the period of January to April 2017. Based on the observation of the document known that the company has paid wages to workers in accordance with the provisions of the applicable minimum wage. In addition, Interview with DPC Chairman F.SPPP-SPSI no report of wage payment violation paid, in accordance with prevailing minimum wage.

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

KUD Bangun Desa and KOPSA Karya Tani

Based on an interview with KUD Bangun Desa and KUD Karya Tani management board, KUD officers whose wages are paid based on the decision of the Annual Members Meeting with the value between IDR 2,050,000 until IDR 2,350,000. Based on interviews with smallholders group it is known that for harvest and maintenance work is done by smallholders or landowner themselves, but some are done by others who are not land owners. The wage provisions are paid based on agreement between the landowner and the worker.

6.5.2

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

KUD Bangun Desa and KOPSA Karya Tani

Contract worker of PKWT in a language understood by the workers and explain the working hours, wages and contract period, such as PKWT No. 06/KUD-BD/PKWT/2017, dated 02 January 2017 between KUD Bangun Desa and on behalf Juny Army, for work as store clerk at KUD Bangun Desa. Working hours Monday, Thursday and Saturday at 08.00 - 14.00 (break 12.00 - 12.30), and Friday at 08.00-11.30 (break 09.30-10.00). In return for an honorarium of Rp. 2,350,000, agreement is valid for 1 year starting 01 January 2017 until 31 December 2017.

6.5.3

The certificate holder has consistently provides facilities for the welfare of workers, such as housing, clean water tested periodically, electricity is available 24 hours and subsidizing the cost of electricity from the company, places of worship, educational facilities, clinics, daycare, sports grounds. A field visit in workers housing complex at estate and mill show that the facilities and infrastructure provided by the company has adequate and decent.

6.5.4

Based on interviews with workers and housewives, it is known that the access of workers to go to the market is easily obtained because of the road is a good condition, the market distance from the estate which is not too far (about 1-2 km

with distance of approximately 30 minutes). This makes it easier for workers to get decent, sufficient, and affordable 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.

6.6.1; 6.6.2

PT Ivomas Tunggal has been consistently documenting and implementing the policies related to giving freedom to all workers to form and join unions workers desired. The results of interviews with workers are known to be three Worker Unions within the management unit of Mill and Estate PT Ivomas Tunggal, namely SPPP-SPSI (Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia), KSBSI (Konfederasi Serikat Buruh Sejahtera Indonesia) and SPPI (Serikat Perjuangan Pekerja Indonesia).

At the time of the ASA-4 audit activities, it is known that CLA for the period 2015-2017 has expired since April 2017, however, as stated by the Chairman of DPC F.SPPP-SPSI, the new CLA is currently in the process of drafting so that the old CLA is considered valid until the issuance of CLA new. There is a recording of the minutes of the meeting of CLA renewal discussions for the period 2017-2019 conducted in January and May 2017.

Public consultation through interviews with worker union officials submitted that, communication between the union and the company have been good, if there is a complaint or a request for information from the union then the company has responded well and quickly. It is generally stated that no violation by the company against the fulfillment of workers' rights and corporate liabilities, such as the application of the minimum wage in accordance with the applicable provisions, gives freedom to the workers to associate and there is no indication of intimidation against union officer and members, reporting related to discrimination against workers, no coercion of any kind against workers, there are no issues of employing child labor, illegal workers and family gank, employment agreements available to all workers with contract workers status (PKWT) in accordance with applicable labor laws.

Worker unions has consolidated with the company for the central clinic to be the First Level Health Facilities *BPJS Kesehatan*, to facilitate and improve the quality of health services for employees. The Company has approved it sometime in May 2016. Currently the union is expecting follow-up of it to be hastened. As for the responses submitted by the company on the matter, the readiness for the clinic that has been provided by the company has sufficient requirement to be a first level health facility and related to paramedics has been available by doctors company assisted by nurses and midwives. So it is currently just waiting for the completeness of the administration and licensing is still in the process of handling, and is expected this year will be realized.

KUD Bangun Desa and KOPSA Karya Tani

Memorandum No.04/KUDBD-SE/01/2009 and No.04/KKT-SE/01/2009 dated January 2, 2009 regarding freedom of association, assembly and issue of opinion submitted to group and member of smallholders and related contractors. In the letter stated that in order to create a harmonic, dynamic, and fair working environment, this Memorandum should be given the right and freedom to associate, gather and express opinions to all workers, members of each group and member of smallholders, and KUD officer and management board.

Interviews with smallholders members in plots number 1631 KT Margi Mulyo and plots number 1598 KT Tani Makmur, it is known that they have understood this policy and there is no prohibition in association and collective bargaining.

Status: Comply

6.7

Children are not employed or exploited.

6.7.1

The certificate holder has consistently apply the conditions set out in the Memorandum of HR Director No. 002/SE-HRDV/03/09 dated 31 March 2009, concerning policies for the protection of children, including the prohibition to use the workforce under age 18 in accordance with Labour Law. The Company prohibits the acceptance or employment of

children, if found child labor, the chairman of the unit will be given sanctions in accordance with applicable regulations.

The results of document review and employee data in July 2017 is not found employees aged less than 18 years old at the time of recruitment, and field observations in estate and mill it is known that workers understand the provisions of the minimum age requirements are allowed to work and are not allowed to bring children under age at the time of work in the field.

KUD Bangun Desa and KOPSA Karya Tani

Memorandum No.16/KUDBD-SE/04/2011 dated 26 April 2011 and No.03/KKT-SE/01/2009 dated 02 Januari 2009 regarding the minimum age. In the letter stated that the implementation of Law no. 13 of 2003 concerning employment concerning the prohibition of child labor is hereby conveyed that in the process of recruitment and employment of KUD in KUD Bangun Desa and KUD Karya Tani the minimum age limit is 18 years.

Interviews with smallholders members in plots number 1631 KT Margi Mulyo and plots number 1598 KT Tani Makmur, it is known that smallholders member understand the provisions of the minimum age requirements are allowed to work and are not allowed to bring children under age at the time of work in the field.

Status: Comply

6.8

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

6.8.1; 6.8.2

Certificate Holder has consistently documented and implemented GAR of Social and Environmental Policy that will provide equal opportunity for all workers, and embrace diversity regardless of ethnic, religious, disability, gender, political affiliation, sexual orientation or union membership. As well as ensuring workers are protected from discriminatory acts in all stages of employment relations.

Interviews with worker union stated that no intimidation by the company against union officers or members and local workers. It also conducted interviews with Committee Gender in Mill and Estate of PT Ivomas Tunggal, submitted that there was no reporting of discrimination especially women workers conducted by the company. The Company has provided the opportunity and the chance to work without distinction of sex.

KUD Bangun Desa and KOPSA Karya Tani

Memorandum No.02/KUDBD-SE/01/2009 and No.02/KKT-SE/01/2009 dated 02 Januari 2009, about equal treatment and recognition in work. In the letter stated that:

1. In order to realize a harmonious, dynamic, and equitable work environment in order to implement the same treatment and recognition without distinction of race, religion, race and sex in all types of work.
2. Fair and non-coercive treatment in any case in the working environment of KUD Bangun Desa and KOPSA Karya Tani.

Interview with KUD officers of KUD Bangun Desa and Kopsa Karya Tani and with smallholders member in Block G19 No land. 1598 KT Tani Makmur and in Block G20 No. 1631 KT Margi Mulyo stated that the smallholder member are well treated by the company and there is no discrimination against the smallholder members or the management of KUD Bangun Desa and KOPSA Karya Tani.

6.8.3

In the process of selection and recruitment workers PT Ivomas Tunggal refers to ethical recruitment processes, including prohibiting the practice of charging workers to recruitment and holding identity documents. The stages of the process of acceptance of prospective workers, among others, administrative selection, interviews, medical examination, and the decision of the results of selection, until the candidate is accepted.

Status: Comply

6.9**There is no harassment or abuse in the work place, and reproductive rights are protected.****6.9.1; 6.9.2 and 6.9.3**

The certificate holder has consistently documented and implemented policy to prevent all forms of abuse and sexual violence, as well as a policy to protect the reproductive rights of all workers. Additionally related to specific complaints mechanisms that protect the complainant has been provided in the document SOP Handling Complaints and Dissatisfaction (SOP/SMART/SIGS-CSR/SADV/II/003, 01 July 2014). Furthermore, to implement policies related to the above, the Committee Gender has been formed on Mill and Estate of PT Ivomas Tunggal which is the organization responsible for ensuring the policy is applied across all operational units.

To ensure that policies and procedures have been applied to the operational activities of the Mill and Estate then conducted public consultations through interviews with the Committee Gender in Mill and Estate of PT Ivomas Tunggal.

Socialization of sexual harassment policy, protection of women's rights, mechanisms for specific complaints such as sexual harassment and violence contained has been communicated to all workers as well as the guarantee of protection for complainants or victims and witnesses. For example on 20 February 2017 socialization prevention of sexual harassment and protection of women's reproductive rights submitted by dr. Endang AW and PIRSI Mothers with Gender Committee participants, representatives of female workers / officers / offices, teacher representatives and representatives of PIRSI mothers of Mill and Estate of PT Ivomas Tunggal.

In the period 2016-2017 there are no reports of sexual abuse, violence against women and violations of workers' reproductive rights policy.

Interviews with members of the Libo Mill gender committee found that they were aware of menstruation leave, maternity leave, and the prohibition of working in chemistry-related sites for pregnant and lactating women. Nevertheless, interviews with the Chairman of the Gender Committee Nenggala Estate, submitted that not yet know the mechanism of H1 and H2. Follow up on this. Based on the statement of the management unit, the Gender Committee Headmaster is not a worker in the company and did not attend the socialization activity on February 20, 2017, so did not understand the mechanisms of H1 and H2. Furthermore, the management conducted a socialization to the Nenggala Estate Gender Committee on July 27, 2017 submitted by SPO Region regarding H1 and H2. To ensure these incidents do not recur, the company scheduling socialization programs conducted at least once a year, especially for mothers who do not work.

The company has consistently implemented a policy of protection of reproductive rights through the provision of H1 for female workers who experience pain on the first/second during menstruation and H2 for pregnant women workers who give birth (1.5 months prior to giving birth and 1.5 months after birth) or who had a miscarriage given time off for 1.5 months.

For the H1 mechanism it is submitted that female workers who are menstruating are allowed to take a 2-day leave that paramedics need to be checked beforehand to ensure the actual condition and on the recommendation of a doctor, nurse or midwife.

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

KUD Bangun Desa and KOPSA Karya Tani

Memorandum No.09/KBD-SE/01/2009 dated 02 January 2009 concerning prevention policies of sexual harassment and various forms of violence against women and for the protection of women's reproductive rights. KUD Bangun Desa and KOPSA Karya Tani has a commitment that all elements within each KUD Bangun Desa and KOPSA Karya Tani activity must realize a harmonious work environment and free from all forms of discrimination including sexual harassment and

violence against women.

Status: Comply

6.10

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

6.10.1 & 6.10.2

FFB pricing is decided through a pricing team meeting in the Province Plantation Department. Furthermore, the price of FFB is informed by the management to the cooperation by letter of notification.

There is an official document sample of the result of the meeting on the purchase price of FFB oil palm plantation in Riau Province number 22 / TPH TBS-V / 2017 dated 30 June 2017 from the FFB pricing team of Riau Province, for the period May 31, 2017 - June 6, 2017. It has been submitted to cooperation by STPA Estate Manager on May 31, 2017 through letter number Kop / STPA / KUD / 05/2017. In addition, the cooperation also get notices via sms from their representatives who sit in the FFB pricing team at the Plantation Department in Province.

Based on interviews with smallholder cooperation management and owners of plots of land obtained information that the recording of harvest is done by the owner of the lot and the foreman of the company and workers. Payments are made 2 times a month from the company to the cooperation, then cooperation submit to the farmer group once a month. There is no complaint against the FFB price.

Based on field interviews with landowners in Karya Tani smallholder cooperation and Bangun Desa smallholder cooperation, it was learned that FFB from farmers was valued by the company in accordance with the price set by the Plantation Department in the Province.

6.10.3 & 6.10.4

Available sample document processing agreement of fresh fruit bunches on August 31, 2012 between PT Ramajaya Pramukti with PT Ivomas Tunggal for cooperation of FFB deposit processed.

The contract agreement between the companies is held by company, but the notification letter for the transfer of FFB items from smallholder cooperation to Libo Mill is shown in the form of: Letter from Regional Contorller Kampar dated January 2, 2017 number 001 / RC-Kampar Plasma / 01/2017 to estate manager region Kampar Pasma (KJNP, STPA, AJYP), that FFB from STPA is sent to LIBM and RRMM. Furthermore it is informed to Kopsa Tunas Makmur, Karya Tani, KUD Cinta Damai, KUD Bangun Desa, KUD Berkat lestari through letter from Estate Manager STPA number 33 / STPA / KUD / 09/2015 dated September 15, 2015 regarding the arrangement of FFB dispatch.

There is an example of a working agreement letter no.001 / SRKE / 01/2017 / KBN-Akt.Tbs dated January 2, 2017, between PT Ivomas Tunggal and Jahara Harianja from Simpang Libo village, Telaga Sam sam Village, Kandis Sub-district for FFB transporter activities at the location of SRKE, Division I, II, III, IV, VIII to Libo Mill, Ujung Tanjung Mill and Sam sam Mill, period 1 January 2017 - 30 June 2017, together with sample payment request for contractor on behalf of: Jahara Harianja 29 June 2017, and was paid on July 4, 2017, which under the agreement, payments will be given up to 14 days from receipt of the payment claim process.

Based on interviews with the Chairman Karya Tani smallholder cooperation and Kota Bangun samllholder cooperation, obtained information that the payment is made by transfer to cooperation account every 2 times in 1 month, then the cooperation gives to its member farmers every 1 month.

The recording of transactions between the smallholders and the company is based on the number of FFB smallholders received daily in the Libo Mill based on the net scales. Available samples of payment documents of FFB farmers in the form of: a request for payment of FFB funds from Bangun Desa smallholder cooperation on 25 April 2017 to Estate Manager STPA period March 21, 2017 - April 20, 201. Payment based on Price fixing from Provincial Plantation Office number 16 / TPH TBS-IV / 2017 period 21 March -20 April 2017.

There is an example of FFB transmission contract fee No.01 / KUD-BD / SPK / I / 2017 between Bangun Desa smallholder

cooperation and the owner of the FFB transport from the village of Kota Bangun on January 2, 2017 for a one-year working period with the payment of each book cover on the 20th of each month, along with a sample of payment of FFB transport fare on July 6, 2017 amounting to Rp.239.434.550 for 3,573,650 kg.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

Based on interviews with village heads obtained information that representatives of the company present at village meeting (*MUSREMBANG*) event in the district and informed to the village office if there is a job vacancy. Then there is also an example of a joint meeting of CSR to the Sakai Kandis community on January 9, 2017 between 11 representatives of companies with 11 representatives of Kandis villagers, for rolling program; Etawa goat breeding, fisheries (catfish, catfish) and seasonal agriculture, in Jambai Makmur Village and Bekalar customary village.

The company also has a time line of the Etawa meat goat sculpting plan in 2017, which: phase 7 (February 2017) in Kandis Kota village, rolling out phase 8 (April 2017) in Bekalar village, stage 9 (June 2017) in Belutu village, stage 10 (August 2017) in the village of Pencing Bekulu, phase 11 (October 2017) in Sei Gondang village, 2nd wave (December 2017) in Jambai Makmur village.

Interview with the Head of Karya Tani smallholder cooperation informed that the annual social assistance from cooperation to the village is submitted after an agreement with the landowner's farmers about the amount to be given and for the type of activities handed over to the village or based on the proposal entry into the cooperation.

6.11.2

FFB from plasma STPA has been identified in the FFB acceptance system in Libo Mill with its own code. While the allocation of land ownership has been arranged in the determination of land of common transmigration land in Sukamaju village, and Kota Bangun.

Efforts to increase the productivity of farmers are discussed in annual member meetings in the preparation of annual KUD operational work plans involving landowners as well as companies as builders, as exemplified by the meeting of the annual member meeting.

Based on interviews with members and managers of Karya Tani and Bangun Desa smallholder cooperation, it was found that the field guidance is still done directly, either by the manager to the company's foreman, both to the farmers and to the cooperation, such as the explanation of the fire caterpillar attack at Karya Tani smallholder cooperation in early 2017 By way of quotation pupa.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

As outlined in GAR of Social and Environmental Policy, in point 3.1 on recognizing, respecting and strengthening workers' rights it is stated that the company prohibits forced or hard labor and takes steps to prevent it, provides employment contracts for all employees Language that is easy to understand.

The employment status of prevailing in Mill and Estate of PT Ivomas Tunggal are permanent workers (Monthly Workers and Daily Permanent Workers) and contract workers (PKWT). For permanent employees the company shows Employee Appointment Letter, while for contract workers bound in the Letter of Employment Agreement between the companies with the workers, which the agreement has complied with labor laws. Interviews with the management explained that each year an evaluation for each employee whose results are used to determine the career path of the employee concerned, and a letter of agreement work is read in advance by the employee before it is signed so that the positions, duties and responsibilities have been understood and executed in accordance with the agreed conditions.

In addition to the management also conducted interviews with the worker unions. The worker union said there was no compulsion for employees to do certain jobs and positions, employees understand their rights and obligations in the work in accordance with labor agreements are made.

6.12.2

To prove that there are no substitutions of the company's contract shows PKWT No. 059/SRKE/PKWT./07/2017 for maintenance workers and PKWT No. 079/SRKE/PKWT./07/2017 for lose fruit picker in Sei Rokan Estate valid until 26 December 2017. The employment agreement was made in a language that is easy to understand, based on interviews with Head of Administration submitted that each chapter was explained to the workers and the subsequent agreement signed by both parties, ie between the workers with the company, without any coercion whatsoever. The agreement has been requirements according to the applicable provisions of the labor law.

Based on interviews with worker union and labor agency, there are no issues of employing child labor, illegal or forced worker. The worker have the freedom for resign, there is no threat for family members and no financial penalties. Contract Worker has been equipped with the Working Agreement that has been agreed together.

Based on the observation of harvest activities in Block 12 Division 1 Sei Rokan Estate and Block B27 Division 2 Nenggala Estate, no harvest workers were found to bring their wives or children to help work in the field. The results of interviews with harvest workers were submitted that the company had prohibited workers from bringing their wife or children away while working in the field. If it violates the matter then the workers may be given sanction by the company.

KUD Bangun Desa and KOPSA Karya Tani

PKWT No. 06/KUD-BD/PKWT/2017, dated 02 January 2017 between KUD Bangun Desa and on behalf Juny Army, for work as store clerk at KUD Bangun Desa. Working hours Monday, Thursday and Saturday at 08.00 - 14.00 (break 12.00 - 12.30), and Friday at 08.00-11.30 (break 09.30-10.00). In return for an honorarium of Rp. 2,350,000, agreement is valid for 1 year starting 01 January 2017 until 31 December 2017.

Interviews with smallholders members in plots number 1631 KT Margi Mulyo and plots number 1598 KT Tani Makmur, it is known that smallholders member understand are not allowed to bring children under age at the time of work in the field.

6.12.3

The results of observations document a list of employees in July 2017 working on the operational activities of the Mill and Estate with the status of permanent workers and contract workers came from various regions in Indonesia for example, from Java, Sumatra, etc.

Interviews with district Labor Agency of District Siak explained that PT Ivomas Tunggal does not hire workers with AKAD system (Inter-City Inter-regional), but the workers themselves must come to apply for jobs at companies both local workers and migrant workers from outside the area.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

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

The results of interviews with operator process Libo Mill, harvest, spraying and fertilizer workers in Block 04 Division 1 Sei Rokan Estate and Block B27 Division 2 Nenggala Estate are known that the management unit has carried out a socialization policy to respect human rights in the briefing morning activity. Interviews with worker unions were submitted that there were no cases of human rights violations

KUD Bangun Desa and KOPSA Karya Tani

Memorandum No. 40/KBD-SE/01/2016, dated 02 January 2016 regarding the Human Rights Policy. In a memorandum it is stated that in order to create a harmonious, dynamic and just working environment, we are committed to upholding human rights to all communities and all members of KUD Bangun Desa and KOPSA Karya Tani.

1. No violence or coercion in the workplace either in the office or in the field
2. Free opinions without any intimidation from any party

Based on interview with KUD Officer and smallholder member already know the above human rights policy.

Status: Comply

PRINCIPLE #7 Responsible development of new plantings

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

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

Status: Comply

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1

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

8.1.1

RSPO Internal Audit PT Ivomas Tunggal held on 02 - 12 May 2017 with an internal team of auditors from the Sustainability Policy and Compliance Division. Internal audit results have 5 nonconformities (indicators 1.1.1, 4.2.3, 4.7.4, 5.3.1 and 6.6.2). Non-compliance has been acted upon by the company through a review of management reviews conducted on July 10, 2017.

CH has a commitment to eliminate use of paraquat through memorandum from the President Director on 21 November 2014. According to pesticide use records, the paraquat has not applied since 2016.

Certification holder developed the owl population by making nest box that contained in almost every block. This is in order to eliminate the use of chemicals for the control of pests and diseases of oil palm plants.

According to documents reviews which supported by field observations, it could be concluded that the current HCV related programs, realizations and its evaluations were in accordance with RSPO BMPs manual. The implementations on the field has obviously considered satisfactory. Hence, the existing program will remain continued on the next following period.

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

- Effluent management and monitoring. WWTP pond management, effluent quality test and report it to Siak District Environment Agency.
- Air quality management and monitoring. Road maintenance, air quality test and report it to Siak District Environment Agency.
- Ground water management and monitoring. Testing ground water quality and report it to Siak District Environment Agency. Hazardous waste management. Storing hazardous waste at the permitted hazardous waste, managing and monitoring hazardous waste (conducted by Siak District Environment Agency).

Libo Mill has had biogas plant to reduce emission from POME.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module D) CPO Mills – Identity Preserved Requirements																																																						
D1	Definition																																																						
<p>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.</p>																																																							
<p>Libo Mill is used RSPO supply chain of Identity Preserved module because only received FFB from the estate which has been certified with RSPO.</p>																																																							
<p>Status: Comply</p>																																																							
D.2	Explanation																																																						
<p>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.</p>																																																							
<p>Estimates of CPO and PK produced by Libo Mill obtained from the data of 12 months before the audit activities and have been described in this Recertification report. The estimate of CPO and PK is 62,162ton CPO and 16,281Ton PK.</p>																																																							
<p>Status: Comply</p>																																																							
<p>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).</p>																																																							
<ul style="list-style-type: none"> RSPO IT Platform member registration number: RSPO_PO1000001057 Certified CPO sold to each buyer period of 30 Oct 2016 to 24 July 2017 																																																							
<table border="1"> <thead> <tr> <th>Date</th> <th>Buyer</th> <th>Volume (Ton)</th> </tr> </thead> <tbody> <tr><td>30 – 10 – 2016</td><td>GAR</td><td>400</td></tr> <tr><td>30 – 10 – 2016</td><td>GAR</td><td>669.64</td></tr> <tr><td>30 – 10 – 2016</td><td>GAR</td><td>299.82</td></tr> <tr><td>30 – 10 – 2016</td><td>GAR</td><td>30</td></tr> <tr><td>08 – 12 – 2016</td><td>GAR</td><td>1,000</td></tr> <tr><td>01 – 01 – 2017</td><td>GAR</td><td>600</td></tr> <tr><td>01 – 01 – 2017</td><td>GAR</td><td>514.73</td></tr> <tr><td>16 – 01 – 2017</td><td>GAR</td><td>188</td></tr> <tr><td>26 – 01 – 2017</td><td>GAR</td><td>1,000</td></tr> <tr><td>26 – 01 – 2017</td><td>GAR</td><td>600</td></tr> <tr><td>26 – 02 – 2017</td><td>GAR</td><td>1,150</td></tr> <tr><td>26 – 02 – 2017</td><td>GAR</td><td>1,550</td></tr> <tr><td>22 – 03 – 2017</td><td>GAR</td><td>1,100</td></tr> <tr><td>22 – 03 – 2017</td><td>GAR</td><td>1,600</td></tr> <tr><td>21 – 04 – 2017</td><td>GAR</td><td>2,000</td></tr> <tr><td>21 – 05 – 2017</td><td>GAR</td><td>1,679.89</td></tr> <tr><td>21 – 05 – 2017</td><td>GAR</td><td>1,575</td></tr> </tbody> </table>		Date	Buyer	Volume (Ton)	30 – 10 – 2016	GAR	400	30 – 10 – 2016	GAR	669.64	30 – 10 – 2016	GAR	299.82	30 – 10 – 2016	GAR	30	08 – 12 – 2016	GAR	1,000	01 – 01 – 2017	GAR	600	01 – 01 – 2017	GAR	514.73	16 – 01 – 2017	GAR	188	26 – 01 – 2017	GAR	1,000	26 – 01 – 2017	GAR	600	26 – 02 – 2017	GAR	1,150	26 – 02 – 2017	GAR	1,550	22 – 03 – 2017	GAR	1,100	22 – 03 – 2017	GAR	1,600	21 – 04 – 2017	GAR	2,000	21 – 05 – 2017	GAR	1,679.89	21 – 05 – 2017	GAR	1,575
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15 – 06 – 2017	GAR	1,200
15 – 06 – 2017	GAR	1,300
Total		18,457.08

• **Certified Palm Kernel sold to each buyer period of 30 Oct 2016 to 24 July 2017**

Date	Buyer	Volume
3 – 11 – 2016	Libo Kernel Crushing Plant – PT IMT	1,000
08 – 12 – 2016	Libo Kernel Crushing Plant – PT IMT	1,000
17 – 01 – 2017	Libo Kernel Crushing Plant – PT IMT	1,000
30 – 01 – 2017	Libo Kernel Crushing Plant – PT IMT	2,000
21 – 02 – 2017	Libo Kernel Crushing Plant – PT IMT	1,000
25 – 03 – 2017	Libo Kernel Crushing Plant – PT IMT	1,000
29 – 04 – 2017	Libo Kernel Crushing Plant – PT IMT	1,000
06 – 05 – 2017	Libo Kernel Crushing Plant – PT IMT	2,000
13 – 06 – 2017	Libo Kernel Crushing Plant – PT IMT	1,000
Total		11,000

Status: Comply

D.3 Documented procedures

D.3.1

The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:

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

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

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

Status: Comply

D.3.2

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

Libo Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. SOP describes the procedure to guarantee the products produced by the mill can be traced to its source and certainly comes from certified sources. To find the source of FFB comes from the estate that has been certified with RSPO, the mill has computerized system. The estate that have been certified is inputs in a weighbridge computer system and for certified raw material there is Total Certified Product information in Weighbridge Card.

Status: Comply

D.4 Purchasing and goods in

D.4.1

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

• **Certified and non-certified FFB received period of 30 Oct 2016 – 24 July 2017**

Month	FFB (kg)		Total
	RSPO Certified	Non Certified	

30 – 31 Oct 2016	1,213.760	-	1,213.760
Nov 2016	26,957,220	-	26,957,220
Dec 2016	24,226,870	-	24,226,870
Jan 2017	27,627,910	-	27,627,910
Feb 2017	26,785,660	-	26,785,660
Mar 2017	30,706,240	-	30,706,240
Apr 2017	27,285,810	-	27,285,810
May 2017	26,692,380	-	26,692,380
June 2017	21,212,950	-	21,212,950
1 – 24 July 2017	22,026.240	-	22,026.240
TOTAL	211,518,280		211,518,280

Status: Comply

D.4.2

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

Libo Mill has had procedure for SCCS that describes the provision of information to CB if there is excess production of RSPO-certified products. Based on the attachment of RSPO ASA-3 certificate, its known that the projected production of CSPO was 57,726 Ton and CSPK was 15,619 Ton. Meanwhile CSPO and CSPK production from 30 October 2016 to 24 July 2017 was 47,716.271 Ton CSPO and 12,255.718 Ton CSPK.

Status: Comply

D.5

Record keeping

D.5.1

The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.

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

Period	Production CPO (Kg)			Despatch CPO (Kg)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Oct 16	5,742,768	-	5,742,768	249,970	6,395,870	-	6,645,840
Nov 16	5,297,175	-	5,297,175	-	3,899,520	-	3,899,520
Dec 16	4,988,149	-	4,988,149	1,813,340	3,146,830	-	4,960,170
Total	16,028,092	0	16,028,092	2,063,310	3,146,830	0	5,210,140
Jan 17	5,434,887	-	5,434,887	1,922,610	5,085,620	-	7,008,230
Feb 17	5,463,874	-	5,463,874	3,120,070	1,962,020	-	5,082,090
Mar 17	6,149,488	-	6,149,488	3,552,550	1,899,320	-	5,451,870
Total	17,048,249	0	17,048,249	8,595,230	8,946,960	0	17,542,190
Apr 17	5,706,516	-	5,706,516	2,713,490	-	-	2,713,490
May 17	5,463,063	-	5,463,063	2,176,850	-	-	2,176,850
Jun 17	4,206,320	-	4,206,320	600,980	-	-	600,980
Total	15,375,899	0	15,375,899	5,491,320	0	0	5,491,320

Period	Production PK (Kg)			Despatch PK (Kg)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Oct 16	1,514,262	-	1,514,262	1,529,932	-	-	1,529,932
Nov 16	1,437,632	-	1,437,632	1,379,230	-	-	1,379,230
Dec 16	1,277,929	-	1,277,929	1,336,777	-	-	1,336,777

Total	4,229,823	0	4,229,823	4,245,939	0	0	4,245,939
Jan 17	1,445,378	-	1,445,378	1,419,263	-	-	1,419,263
Feb 17	1,452,338	-	1,452,338	1,472,159	-	-	1,472,159
Mar 17	1,641,878	-	1,641,878	1,626,722	-	-	1,626,722
Total	4,539,594	0	4,539,594	4,518,144	0	0	4,518,144
Apr 17	1,371,597	-	1,371,597	1,426,649	-	-	1,426,649
May 17	1,314,589	-	1,314,589	1,288,173	-	-	1,288,173
Jun 17	1,097,195	-	1,097,195	1,065,222	-	-	1,065,222
Total	3,783,381	0	3,783,381	3,780,044	0	0	3,780,044
Status: Comply							
D.6	Processing						
D.6.1							
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							
Libo Mill only processes FFB from RSPO certified estate, subsequently, the entire product is CSPO and CSPK.							
Status: Comply							
D.6.2							
The objective is for 100 % segregated material to be reached							
Libo Mill only processes FFB from RSPO certified estate.							
Status: Comply							

3.3 Conformity Checklist of Certificate and Logo Use

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

3.4 Summary of RSPO Partial Certification

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

Ivomas Tunggal Time Bound Plan is explaining in table 1.10. Ivomas Tunggal run eight (9) mills, nineteen (19) own estates and assist six (6) scheme smallholders in Indonesia, and has achieved RSPO certified for seven (8) mills and supply base in Indonesia. Ivomas Tunggal has informed the Time Bound Plan progress, MUTU has considered that Ivomas Tunggal is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by Ivomas Tunggal on 1 July 2017 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of Ivomas Tunggal based on their Time Bound Plan. There are one (1) uncertified management unit of Ivomas Tunggal. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

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

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Company Group/Holding Statement: Yes, there was an internal audit and has positive assurance statement.</p> <p>Auditor Verification: Internal Audit report available for PT Sawitakarya Manunggal (Sawita Mill and supply base) and PT Ivomas Tunggal.</p>
2.2.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>Company Group/Holding Statement: Ivomas Tunggal and its subsidiaries have been reporting disclosure and zero liability to RSPO by email dated August 29, 2014 and the company has been sent data evidence of LUCA to RSPO by email dated April 11, 2016. Progress result of review LUCA at follow-up via email RSPO dated October 24, 2016 to answer RSPO is still in the review process.</p> <p>Auditor Verification: RaCP for PT Sawitakarya Manunggal (Sawita Mill and supply base) and PT Ivomas Tunggal.</p>
2.2.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>Company Group/Holding Statement: There is no new planting after 1 Jan 2010.</p> <p>Auditor Verification:</p>

		Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.
2.2.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>Company Group/Holding Statement: There are no land conflicts. The Company has a land conflict resolution mechanism in accordance with the RSPO criteria 6.4; 7.5; and 7.6. This procedure is outlined in the SOP Social Conflict Management (SOP/SMART/SENS-CSR/SADV/II/02). This procedure regulates social conflict settlement agreed. Conflict resolution can be done in a participatory manner and can also be done by a third party (mediator). The company also has procedures to deal with complaints before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003. The company handling complaints appropriately and quickly. Ivomas Tunggal has been initiated to become a member of RSPO DSF as a category "out growers".</p> <p>Auditor Verification: Auditor has verified the supporting evidence of above the company statement. There are no land conflicts for uncertified unit of the group subsidiaries.</p>
2.2.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>Company Group/Holding Statement: There is no issue of labour disputes in uncertified unit. The company also has procedures to deal with complaints workers before they become conflicts. The procedure is SOP/SMART/SIGS-CSR/SADV/II/003. Procedures related employee issues arranged in the form of internal grooves for employees included in the category of internal stakeholders. Media used complaint is a formal letter submitted by unions or incorporated into a suggestion box which is provided in a convenient location.</p> <p>Auditor Verification: There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p>
2.2.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Company Group/Holding Statement: Companies comply with the regulations in accordance with the requirements of the RSPO 2.1 and 2.2 where there is no violation of the rules that are relevant to the plantation. The company has a mechanism to evaluate compliance with regulations, namely SOP/SMART/UMUM/SADV/II/002. In SOP describes procedures for compliance, completeness and groove sections which explain in detail to evaluate compliance with the legislation.</p> <p>Auditor Verification: PT Sawitakarya Manunggal and PT Ivomas Tunggal there is an area is still in process for HGU (Committee B meeting)..</p>

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-3 Assessment

NCRNo.	: -	Issued by	: -
Date Issued	: -	Time Limit	: -
NC Grade	: -	Date of Closing	: -
Standard Ref. & Requirement	: -		
Non-Conformance Description & Evidence observed :			
During the surveillance-3 assessment there was no non-conformance identified.			
Root Cause Analysis:			
-			
Corrective Action:			
-			
Preventive Action:			
-			
Assessor Evaluation and Conclusion:			
-			
Verified by	: -		

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

NCRNo. :	-	Issued by :	-
Date Issued :	-	Time Limit :	-
NC Grade :	-	Date of Closing :	-
Standard Ref. & Requirement :	-		
Non-Conformance Description & Evidence observed :			
During the ASA-4 there was no non-conformance identified for P&C RSPO Standard and SCCS			
Root Cause Analysis:			
-			
Corrective Action:			
-			
Preventive Action:			
-			
Assessor Evaluation and Conclusion:			
-			
Verified by :	-		

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	4.6.10	Evaluation the implementation of ex pesticide container handling WI
2	5.3.3	<ul style="list-style-type: none"> • Evaluation the the implementation of hazardous waste handling WI • Follow up on the extension agreement of PT Ivomas Tunggal with licensed transporter of hazardous waste that expired on June 13, 2017 (Observation).
3	6.5.2	Ensure workers with PKWT status are in compliance with applicable regulations.

3.5.4 Noteworthy Positive Components

No	Descriptions
1	Involvement of surrounding communities within land fires prevention through Community Based for Land Fire Monitoring and Preventive Programme (Masyarakat Peduli Api).
2	Innovative financing program for community oil palm plantations.
3	Development of traceability result technology (EFACT) and has been running for harvesting activities in Sei Rokan Estate.
4	Having Biogas Plant.

3.6 Summary of Arising Issues from Public and Auditor Verification

Issue from Public	Auditor Response
<p>Belutu Village and Bekalar Village</p> <ul style="list-style-type: none"> • No negative issues • Fixed Term Contract (PKWT) is registered in the village by requesting a letter to the village. There are reports to the village when there is a mutation. • The boundaries of citizens with companies are clear. • There is a representation of village authority in form of hamlet in company operation area. • The village already knows the type of information that can be accessed. • There had been public complaints related to the <i>Oryctes</i> attack to the community plantation, but the company continued to look for the root of the problem and provide guidance to community plantation. • 99.5% of Samsam villagers and surrounding areas work as oil palm growers or workers in the company's oil palm. • Job opportunity are submitted to the village. • Contribution of companies such as provision of goats to communities, fostering the handling of fires, fostering of oil palm farmers in the village. • Sakai residents get more coaching from companies, Eid support and given a job and built the housing. • There is a National Elementry School (SD) in Jambai Makmur Village that is assisted by the company. • There is no local wisdom or customary law community. • There used to be Local Bussiness offering by company such as sewing and cooking courses, but it seems the public is less interested. • Last year there was a fire incident in Belutu. There is help from company in the form of units and personnel and the establishment of fire-caring community. • There is a plan to develop partnership plantation for an area approximately 300 Ha. 	<p>There were no negative issues from communities. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 1.1; 2.2; 6.3 and 6.11.</p>
<p>Head of Local NGO of Bribery and Regional Organization of Pujakesuma in Siak District</p> <ul style="list-style-type: none"> • There is no negative issue • The biggest contribution of company is improve local economic. • There is no issue of bribery which done by company 	<p>There is no negative issues from NGO. CH has demonstrated compliance with the RSPO criteria 1.3 and 6.11.</p>
<p>Environmental Agency of Siak District (Head of Monitoring Section)</p> <ul style="list-style-type: none"> • PT Ivomas tunggal has made an addendum of EIA Document and Environmental Management Efforts-Environmental 	<p>There is no negative issues from government. CH has demonstrated compliance with the RSPO criteria</p>

Issue from Public	Auditor Response
<p>Monitoring Efforts passed on December 2015. The addendum has been made because of replanting activity, translocation of hazardous water application, development of workshop regional, construction biogas plant and clinic.</p> <ul style="list-style-type: none"> • Estates has temporary hazardous waste storage passed by head of Environment bodies of Siak District on 2016. While POM has hazardous waste temporary storage on 2015. • Hazardous waste management activity performed with keep the hazardous waste on registered temporary hazardous waste storage then it submitted to registered transporter and collector from ministry of environment. Hazardous waste management report done every 3 months to related agency (environment of Siak district and Riau province) • Company has done air quality testing every semester and the result reported to Environment agency of Siak District. • Company has done monitoring of noise, vibration, and odor. The result reported to Environment department of Siak every semester. • Company has reported manifest of hazardous waste to environment agency of Siak District and Riau province every 3 months. • The Company has submitted a RKL-RPL implementation report to Environmental Agency of Siak District every six month. Such as on 2nd semester of 2016. • There was <i>Oryctes</i> sp attack on 2015, where villagers and government has discussion about it. But the problem solving not involve environment of Siak district. • There is no issues from other parties about negative impact on environment. 	<p>2.1, 4.4, 4.6, 5.1, 5.3, and 5.6</p>
<p>Plantation Agency of Siak District (Head of Production Section)</p> <ul style="list-style-type: none"> • The assessment of plantation grade of PT Ivomas Tunggal Plantation is conducted by district level in 2015. • PT Ivomas Tunggal is not included in the forest area according to the Spatial Plan of Siak Regency. • The Company has regularly reported its Progress Report of Plantation Business (<i>Laporan Perkembangan Usaha Perkebunan/ LPUP</i>). For the Report in the second semester of 2017, the company should input the data of land use. • Land use / fire facilities are sufficient, although not fully in accordance with <i>SK Dirjenbun, 2010</i>. The Company has justified the needs of fire infrastructure in accordance with the business and landscape conditions. Based on the explanation from <i>DLH</i> of Siak District has been monitoring fire emergency response reported every 3 months and helps the handling of land fires that occur outside the operation areas, such as the surrounding villages in the form of personnel and equipment assistance. • CSR activities have been conducted for the surrounding 	<p>The result of verification with D & L staff section obtained information that the company showed evidence of submission of report of plantation business activity of second semester of 2016 to Directorate General of Plantation on 18 April 2017, About planting area, replanting area, plantation area, mill, etc. But the company has so far not received a written request from the Plantation Service on the request for such information. If there is a written letter concerning the request for information on land use from the Service then it can be given.</p> <p>As for the CSR implementation report every 6 months has been delivered in turns through the presentation to <i>BAPEDA</i> of Siak District. If there is a written letter from the plantation agency requesting the reporting of CSR, then it can be submitted by the company to the Department.</p>

Issue from Public	Auditor Response
<p>villages and need to be improved again. CSR programs are not included in the Progress Report of Plantation Business.</p> <ul style="list-style-type: none"> • There is a problem of <i>Oryctes</i> attack in 2015, where the community and local government of Siak District have conducted hearing, but to solve the problem The plantation Agency of Siak is not given information because it directly involves the Provincial plantation agency. • Period of 2016-2017 no fire incident occurred in the company's operational area. • The company has responded to information requests quickly and transparently. • The Company does not consult for replanting activities for the period 2015 - 2016. 	<p>Related to land use report of HGU by BPN has been done in 2016 through field visit of BPN team of Siak Regency.</p>
<p>Manpower and Transmigration Agency of Siak District (Manpower Monitoring Section)</p> <ul style="list-style-type: none"> • Wage is suitable with regional minimum wage of Siak District of 2017. • All Workers has permanent status and Fixed Term Contract/PKWT (No piece worker). • All workers has been registered to <i>BPJS Ketenagakerjaan</i> and <i>BPJS Kesehatan</i> include Fixed Term Contract/PKWT. • There are work accident report to labor agency that explain no work accident. • P2K3 report and labor report has been reported routinely. • Inspection done to POM equipment/ engine routinely. • There are no workers under 18 years old. • Company has Bipartite Cooperation Institution. • Company has valid collective labor agreement. • Company use local workers. • Company has worker union named <i>SP3</i>. • There is no negative issues which reported to labor agency related to labor. • Labor agency showed regent regulation No. 69 2017 related to worker protection through social security administration bodies of Siak regency. • There are no foreign workers. 	<p>There were no negative issues of Agency. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 1.1; 2.1; 4.7; 6.5; 6.7 and 6.12</p> <p>At the time of the ASA-4 audit activities, it is known that CLA for the period 2015-2017 has expired since April 2017, however, as stated by the Chairman of DPC F.SPPP-SPSI, the new CLA is currently in the process of drafting so that the old CLA is considered valid until the issuance of CLA new. There is a recording of the minutes of the meeting of CLA renewal discussions for the period 2017-2019 conducted in January and May 2017.</p> <p>The results of interviews with workers are known to be three Worker Unions within the management unit of Mill and Estate PT Ivomas Tunggal, namely SPPP-SPSI (<i>Serikat Pekerja Pertanian Perkebunan-Serikat Pekerja Seluruh Indonesia</i>), KSBSI (<i>Konfederasi Serikat Buruh Sejahtera Indonesia</i>) and SPPI (<i>Serikat Perjuangan Pekerja Indonesia</i>).</p>
<p>Serikat Pekerja Pertanian Perkebunan – Serikat Pekerja Seluruh Indonesia/ SPPP – SPSI (head of brach of FSPPP – SPSI Siak District)</p> <ul style="list-style-type: none"> • The company has granted freedom of association and there is no intimidation by the company against trade union officials. • Internal meetings or with management are conducted and the results of the meetings are documented in the form of an official report. • Communication between the union and the company is well established, if there are any complaints or requests for 	<p>The certificate holder has showed good cooperation with worker union. There is no significant industrial issue for 2016 to 2017. CH has shown the evidence of compliance to RSPO standard criteria 1.1; 4.7; 6.2; 6.3; 6.6; 6.8, 6.9 and 6.12.</p>

Issue from Public	Auditor Response
<p>information from the union then the company has responded well and quickly.</p> <ul style="list-style-type: none"> The Company has implemented minimum wage provisions in accordance with UMSP 2017, and agreement between GAPKI and BKS-PPS and FSPSPPP SPSI All workers have been enrolled in the BPJS program. Progress on the development of employee facilities now is the construction of permanent homes for employees. SPSI has consolidated with the company to make central clinic to the First Level Health Facilities of <i>BPJS Kesehatan</i>, to facilitate and improve the quality of health services for employees. The company has approved it sometime in May 2016. Currently SPSI is expecting follow-up of it to be hastened. 	
<p>Local Contractor (CV Aido, FFB Transporter)</p> <ul style="list-style-type: none"> Preparation of contract has been agreed upon by both parties, with a validity period of 6 months and can be extended. With a copy of the contract created two copies and held by the contractor. In the contract has been required related to the type of work, pricing, employment conditions, safety, rights and obligations of each party. PPE of the contractor workers is provided by the contractor, in case of work accident is borne by the contractor. Contractors expect opportunities for cooperation opportunities between the company and local contractors to be added. 	<p>Based on information from the management representative, it is found that the company is currently in the replanting stage for most of its crop area, so the availability of FFB transport is reduced, that's way the opportunity or volume of transport of FFB to contractors is reduced.</p>
<p>Gender Committee of Libo Mill (Chairman)</p> <ul style="list-style-type: none"> Socialization of prevention policies of sexual harassment and protection of women's rights has been submitted to all workers and guarantee of protection for the complainant or victim and witness. In the period 2016/2017 there are no reports of sexual harassment, violence against women workers or violations of reproductive rights policies. The Company has consistently implemented a policy of reproduction rights protection through the provision of H1 for women workers who experienced pain on the first day / second at the time of menstruation, and H2 for pregnant women workers who will give birth (1.5 months before delivery and 1.5 months after delivery) or who suffered a miscarriage given the rest for 1.5 months. There is no reporting of discrimination especially on women workers conducted by the company. The company has provided opportunities and opportunities to work without discriminating gender. The Company has demonstrated an effort to improve workers' access to adequate food by providing vehicles to deliver 	<p>There were no negative issues from stakeholder. The management unit has demonstrated evidence of compliance with the RSPO P & C i.e Criterion 6.8 and 6.9</p>

Issue from Public	Auditor Response
<p>workers to meet basic needs to the city at the time of receiving salary / wages.</p>	
<p>Gender Committee of Nenggala Estate (Chairman)</p> <ul style="list-style-type: none"> • Socialization of prevention policies of sexual harassment and protection of women's rights has been submitted to all workers and guarantee of protection for the complainant or victim and witness. • In the period 2016/2017 there are no reports of sexual harassment, violence against women workers or violations of reproductive rights policies. • Do not understand the H1 and H2 mechanisms because the leader is not a worker 	<p>Based on the statement of the management unit, the Gender Committee Chairman is not a worker in the company and did not attend the socialization activity on 20 February 2017, so did not understand the mechanisms of H1 and H2. Furthermore, the management conducted a socialization to the Nenggala Estate Gender Committee on 27 July 2017 submitted by SPO Region regarding H1 and H2. To ensure these incidents do not recur, the company scheduling socialization programs conducted at least once a year, especially for mothers who do not work.</p>

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Formal Sign-off of Assessment Findings

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

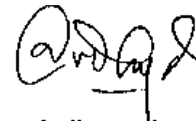
Signed on behalf of:

PT. Ivomas Tunggal
Management Representative



Ismu Zulfikar
4 September 2017

Mutuagung Lestari
Lead Auditor



Ardiansyah
4 September 2017

APPENDICES

Appendix 1. List of Stakeholder Contacted in the RSP0 Certification Process

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Environmental Board, Siak Regency	Siak Regency	-	Interview	25 July 2017	√	
2	Plantation Agency, Siak Regency	Siak Regency	-	Interview	25 July 2017	√	
3	National Land Agency, Siak Regency	Siak Regency	-	Interview	25 July 2017	√	
4	Manpower and Transmigration Agency, Siak Regency	Siak Regency	-	Interview	25 July 2017	√	
5	Head of Belutu Village	Siak Regency	-	Interview	25 July 2017	√	
6	Head of Bekalar Village	Siak Regency	-	Interview	25 July 2017	√	
7	Local NGO of Bribery and Regional Organization of Pujakesuma in Siak District	Siak Regency	-	Interview	25 July 2017	√	
8	CV. Aido (FFB Transport/Local Contractor)	Siak Regency	-	Interview	25 July 2017	√	
9	Serikat Pekerja Pertanian Perkebunan – Serikat Pekerja Seluruh Indonesia (SPPP – SPSI) / Union Labor	Siak Regency	-	Interview	25 July 2017	√	
10	Gender Committee PT Ivomas Tunggal	Siak Regency	-	Interview	25 July 2017	√	
11	Nengala Estate - 4 harvesters - 2 pesticide operators - 2 manuring workers - 1 clerk production - 5 housewives - 3 daycare officer - 1 nurse	Siak Regency	-	Interview	26 July 2017	√	
12	Libo Mill - 4 grading workers - 1 engine room operator - 2 boiler operator - 1 helper - 1 welder - 1 mechanic	Siak Regency	-	Interview	26 July 2017	√	
13	Sungai Tapung Plasma - 2 harvesters - 2 smallholders - 4 board of KUD Bangun Desa - 4 board of KUD Karya Tani	Siak Regency	-	Interview	27 July 2017	√	
14	Sei Rokan Estate - 4 harvesters - 3 pesticide operators	Siak Regency	-	Interview	28 July 2017	√	

	<ul style="list-style-type: none"> - 5 manuring workers - 2 clerk production - 2 nursery worker 						
15	Jikalahari	Pekanbaru, Riau Province	jikalahari@indo.net.id ; secretariat@jikalahari.org	Queisoner by email	17 July 2017		√
16	Sawit Watch	Jakarta	info@sawitwatch.or.id	Queisoner by email	17 July 2017		√

Appendix 2. Assessment Program

DATE	24 July to 04 August 2017	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 24 July 2017		
06.00 - 08.00	Traveling from Jakarta to Riau.	ARD/RRII//NKA/RPJ
08.30 – 12.30	Travelling from Riau Airport to PT Ivomas Tunggal.	
12.00 – 14.00	Break	ARD/RRII//NKA/RPJ
14.00 – 14.30	Opening Meeting:	ARD/RRII//NKA/RPJ
	<ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit). • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification). 	
14.30 -17.00	<ul style="list-style-type: none"> • Review of Previous Visit Non-conformance (ASA 04), Partial & Time Bound Plan verification. • Document Verification: <ul style="list-style-type: none"> - Basic Information - Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave) - SCCS - Agronomy (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) - Occupational Health & Safety Aspect (PPE Used in Harvest, Manure & Pesticide Application) and Worker Welfare. - Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) & Fire Control Facilities, Waste Management) - Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), Chemical Storage, Fertilizer Storage, Hazardous Waste Storage. 	ARD/RRII//NKA/RPJ
Tuesday, 25 July 2017		
08.00 – 12.00	<ul style="list-style-type: none"> • Public consultation to Government Agency. • Public consultation to surrounding communities & local contractor (if any). • Public consultation to internal stakeholder (worker union, gender committee, cooperation) & contractor 	RPJ ARD/RRII NKA
12.00 – 14.00	Break	ARD/RRII//NKA/RPJ
14.00 – 17.00	Continue of public consultation.	ARD/RRII//NKA/RPJ
Wednesday, 26 July 2017		
08.00 - 12.00	Field Observation at Nenggala Estate: <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Fertilize, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) & Implementation of Occupational Health & Safety Aspect. • Implementation of Environmental, Conservation and Waste Management Aspect (Domestic Waste Management, Fire Control Facilities and HCV Area), Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage). • Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance). • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), Stakeholder Consultation to Community Surround. • Observation of Workers Facilities (Housing, School, Worship Place, Clinic, etc). 	ARD/RRII//NKA/RPJ RRI RPJ RRI ARD NKA

DATE	24 July to 04 August 2017	
PLANNED TIM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 -14.00	Break.	ARD/RRI//NKA/ RPJ
14.00 -17.00	Field Observation to Libo POM: <ul style="list-style-type: none"> • Production/Processing and Health & Safety. • Worker Rights (Status, Payment Condition, Gender Aspect, etc). • Hazardous Waste Storage, POME + Land Application. • Management of Environment (Environment monitoring station & GHG, etc). • Worker Facilities (Housing, health clinic, clean water, etc). • Emergency Equipment Check & Emergency Team Interview. • SCCS 	ARD/RRI//NKA/ RPJ NKA NKA RPJ RPJ RRI NKA ARD
Clarification of Field Observation & Completing of Check List.		
Thursday, 27 July 2017		
08.00-12.00	Field Observation to Sungai Tapung Plasma: <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Fertilize, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) & Implementation of Occupational Health & Safety Aspect. • Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance). • Implementation of Environmental, Conservation and Waste Management Aspect (Domestic Waste Management, Fire Control Facilities). • Implementation of Legal Aspect (Land Ownership, Legal Boundaries), HCV Area and Stakeholder Consultation to Community Surround. 	ARD/RRI//NKA/ RPJ RRI NKA RPJ ARD
12.00 -14.00	Break.	ARD/RRI//NKA/ RPJ
14.00 -17.00	Clarification of Field Observation & Completing of Check List.	ARD/RRI//NKA/ RPJ
Friday, 28 July 2017		
08.00 – 12.00	Field Observation at Sei Rokan Estate: <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Fertilize, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) & Implementation of Occupational Health & Safety Aspect. • Implementation of Environmental, Conservation and Waste Management Aspect (Domestic Waste Management, Fire Control Facilities and HCV Area), Environmental/Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area, Peat Area (Water management, etc), (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage). • Implementation of Legal Aspect (Land Ownership, Legal Boundaries). • Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance). • Observation of Workers Facilities (Housing, School, Worship Place, Clinic, etc). 	ARD/RRI//NKA/ RPJ RRI RPJ ARD NKA
12.00 -14.00	Break.	ARD/RRI//NKA/ RPJ
14.00 -17.00	Clarification of Field Observation & Completing of Check List.	ARD/RRI//NKA/ RPJ
Friday, 04 August 2017		
08.00 – 10.00	Team Auditor Meeting (Preparation for Audit Conclusion).	ARD/RRI//MAH/ RPJ
10.00 – 12.00	Closing Meeting.	ARD/RRI//MAH/ RPJ
14.00 – 15.00	Travel from PT Ivomas Tunggal to Riau Airport.	ARD/RRI//MAH/ RPJ/
17.45 – 18.45	Travel from Riau Airport to Jakarta.	ARD/RRI//MAH/ RPJ