

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

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management : Semilar Mill, PT Tapian Nadenggan – Smart TBK.
 Organisation
 Plantation Name : PT Tapian Nadenggan, Semilar Estate and Sei Rindu Estate,
 PT Buana Artha Sejahtera, Mandang Estate and Puri Estate.
 Location : Rungau Raya Village, Sub District of Danau Siluluk, District of Seruyan,
 Kalimantan Tengah Province, Indonesia
 Certificate Code : MUTU-RSPO/028
 Date of Certificate Issue : 22 July 2013 Date of License Issue : 22 July 2017
 Date of Certificate Expiry : 21 July 2018 Date of License Expiry : 21 July 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-4	15 – 20 May 2017	Ardiansyah (Lead Auditor), Rudi Ramdani, Mohamad Amarullah, Radytio Puspanjana	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-4	20 June 2017

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Figure 2. Operational Map of Semilar Estate – PT Tapian Nadenggan

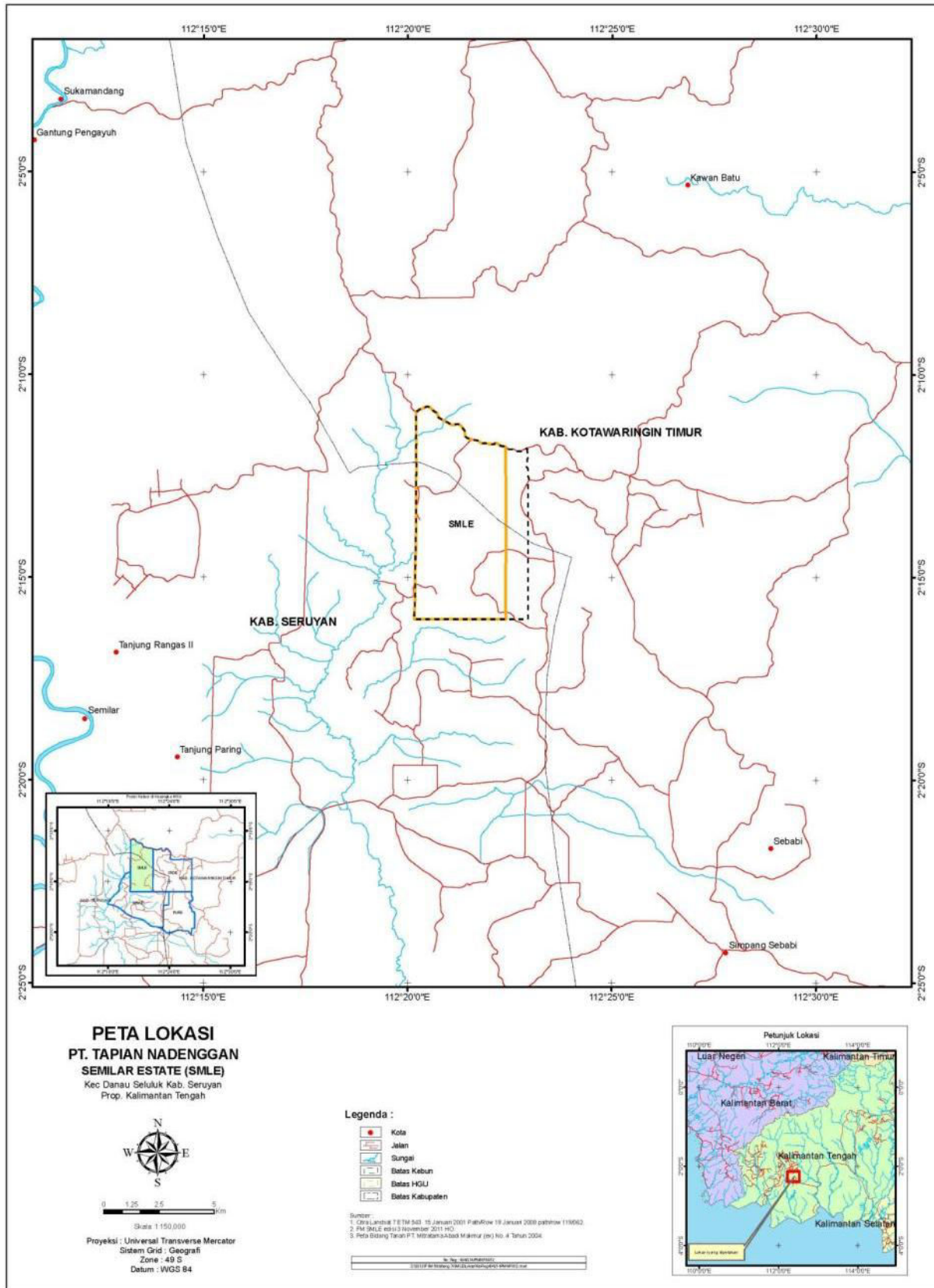


Figure 3. Operational Map of Sei Rindu – PT Tapian Nadenggan

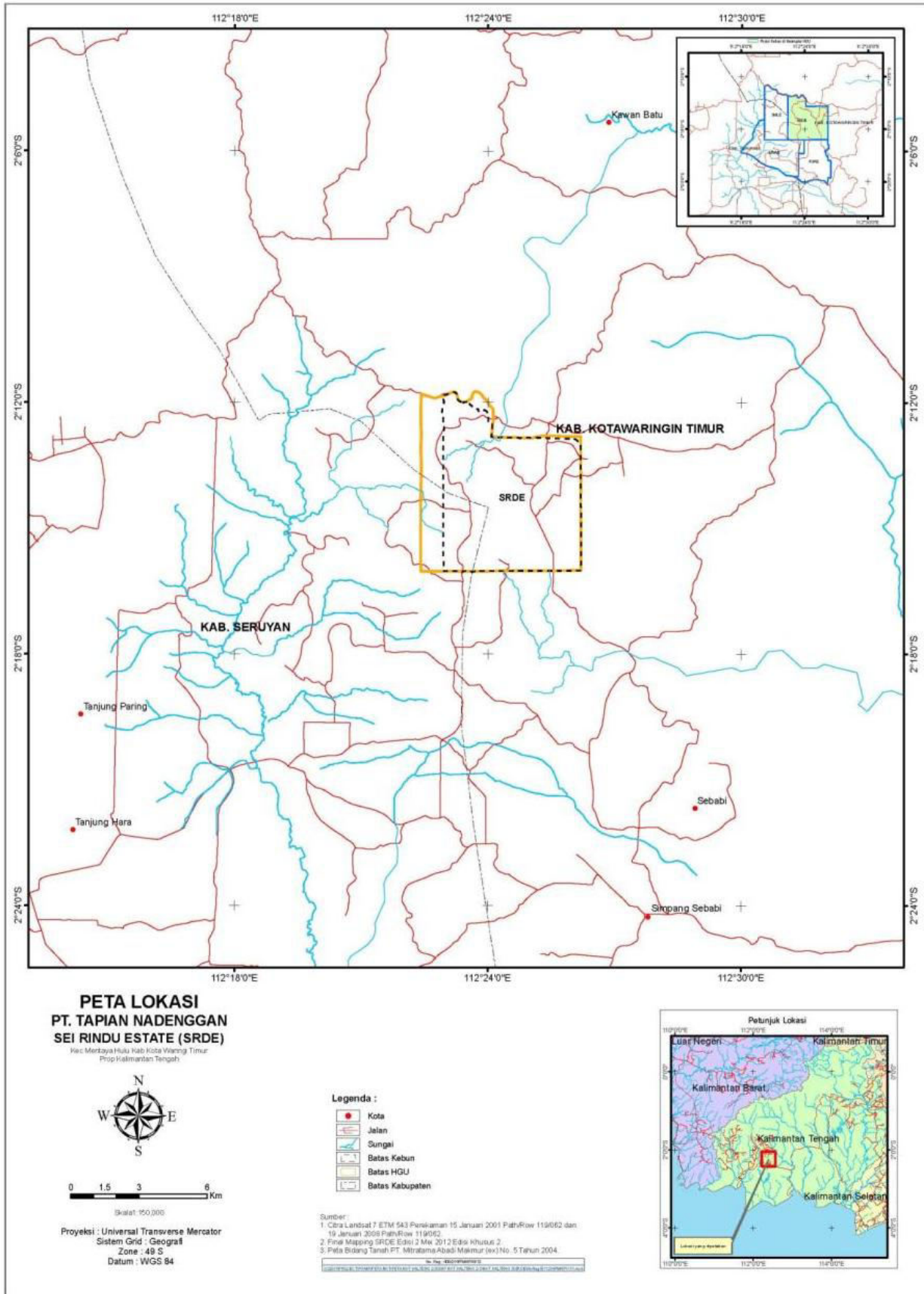


Figure 4. Operational Map of Puri Estate – PT Buana Artha Sejahtera

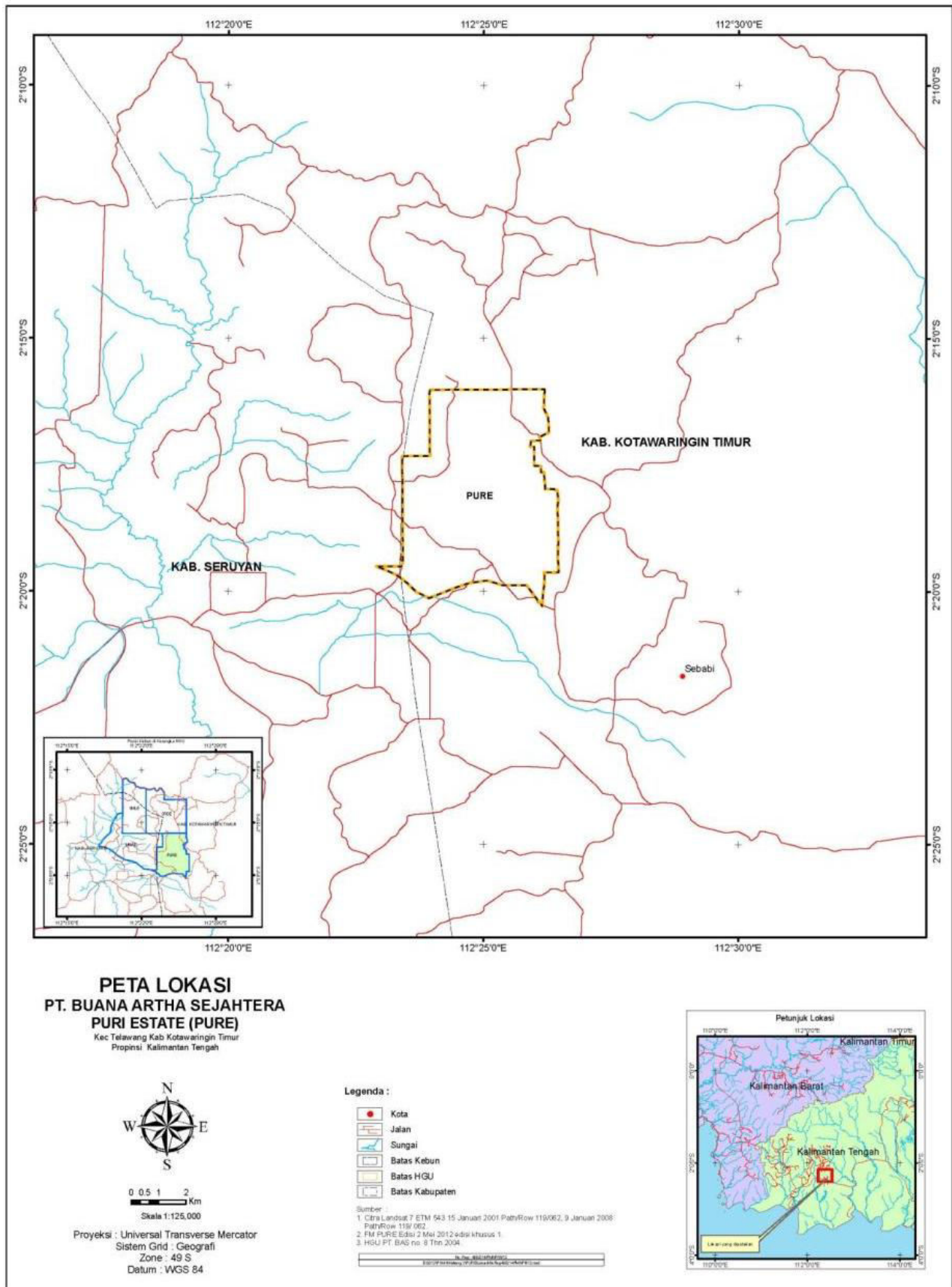
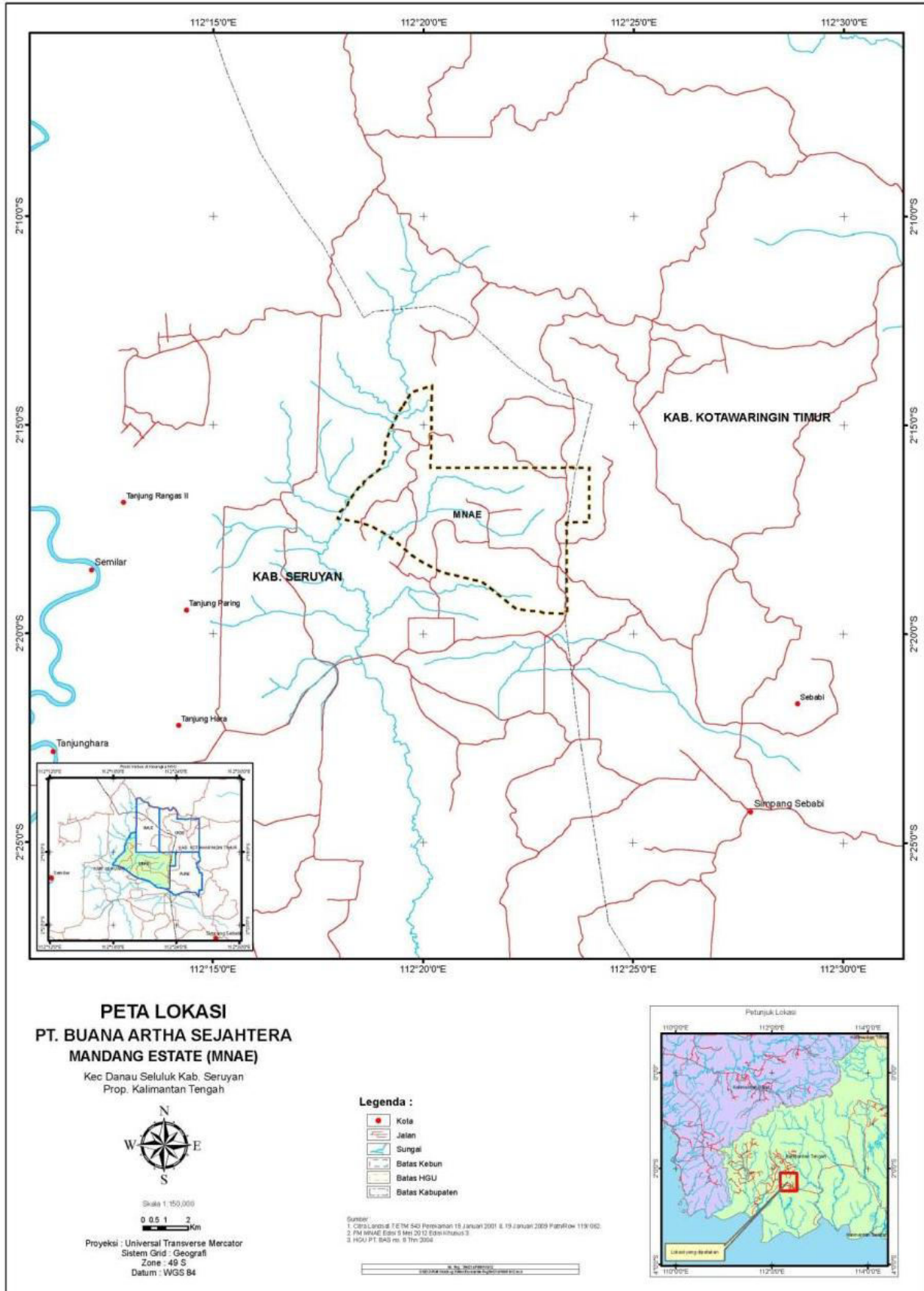


Figure 5. Operational Map of Mandang Estate – PT Buana Artha Sejahtera



Glossary

ASA	: Annual Surveillance Assessment
BAP	: Bina Abadi Pratama
BAS	: Buana Artha Sejahtera
BPA	: Balai Penitipan Anak / Daycare
BPJS	: <i>Badan Penyelenggara Jaminan Sosial</i> (Social Assurance of Labor)
BPN	: <i>Badan Pertanahan Nasional</i>
BOD	: Biological Oxygen Demand
CH	: Certificate Holder
CPO	: Crude Palm Oil
CSR	: Corporate Social Responsibility
CITES	: Convention on International Trade in Endangered Species of Wild Fauna and Flora
EFB	: Empty fruit bunch
FFB	: Fresh Fruit Bunch
FPIC	: Free Prior Informed and Consent
GAR	: Golden Agri Resources
GHG	: Greenhouse Gas
GSEP	: Golden Agri Resources Social Environment Policy
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha/</i> land use tittle
HRD	: Human Resource Division
HIRAC	: Hazard Identification and Risk Assesment
IPM	: Integrated Pest Management
ISCC	: International Sustainability & Carbon Certification
ISPO	: Indonesian Sustainable Palm Oil
LUCA	: Land Use Change Analysis
MCAR	: Management Committee Agronomy and Research
MSDS	: Material Safety Data Sheets
MHS	: Micron HerbySprayer
MNAE	: Mandang Estate
NGO	: Non Government Organization
OER	: Oil Extraction Rate
OHS	: Occupational Health and Safety
OHSMS	: Occupational Health and Safety Management System
OIA	: Operational Internal Audit
P2K3	: <i>Panitia Pelaksana Kesehatan dan Keselamatan Kerja</i> (OHS Guiding Committee)
PIC	: Person In Charge
PK	: Palm Kernel
POME	: Palm Oil Mill effluent
PMNP	: Plantation Monitoring and Planning
PPE	: Personal protective equipment
RC	: Regional Control
RKL/RPL	: <i>Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan</i> (Environment Management and Monitoring Plan)
RSPO	: Roundtable Sustainable Palm Oil
RSUD	: Rumah sakit umum daerah / regional hospital
RTE	: Rare trade endangered
SCCS	: Supply Chain Certification Standard
SMLE	: Semilar Estate
SMLE	: Senilar Mill
SRDE	: Sei Rindu Estate
SIA	: Social Impact Assessment

SMARTRI	:	SMART Research Institute
SOP	:	Standart Operating System
SPO	:	Sustainable Palm Oil
TN	:	Tapian Nadenggan
WTP	:	Water Treatment Plant
WWTP	:	Waste Water Treatment Plant
VPA	:	Vice President Assesment

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, endorsed 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 TAPIAN NADENGGAN and PT BUANA ARTHA SEJAHTERA subsidiary of SMART Tbk.	
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 Liaison Office : Sinarmas Land Tower 2, 30th Floor JL. MH Thamrin No 51 Kav 22 Jakarta 10350 Indonesia	
1.2.4	Telephone	(+62-21) 318 1388	
1.2.5	Fax	(+62-21) 318 1389	
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	1-0019-05-000-00, 30 January 2005	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base: Semilar Mill, Semilar Estate, Mandang Estate, Sei Rindu Estate and Puri Estate.	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude
			Longitude
	Semilar Mill	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 2° 14.' 53.73"
			E 112° 20' 25.55"

1.4.2	Location of Certification Scope of Supply Base					
	Name of Supply Base	Location	Coordinate			
			Latitude	Longitude		
	Semilar Estate (PT TN)	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 2° 15' 06.21"	E 112° 20' 58.83"		
	Sei Rindu Estate (PT TN)	Village of Pantap, Sub District of Mentaya Hulu, District of Kotawaringi Timur, Province of Kalimantan Tengah, Indonesia.	S 2° 15' 12.86"	E 112° 24' 28.98"		
	Mandang Estate (PT BAS)	Village of Rungau Raya, Sub District of Danau Siluluk, District of Seruyan, Province of Kalimantan Tengah, Indonesia.	S 2° 16' 28.22"	E 112° 20' 16.69"		
	Puri Estate (PT BAS)	Village of Biru Maju, Sub District of Telawang, District of Kotawaringin Timur, Province of Kalimantan Tengah, Indonesia.	S 2° 18' 22.06"	E 112° 25' 13.39"		
1.5 Description of Area Statement						
1.5.1	Tenure					
	• State		17,088.00	Ha		
	• Community		-	Ha		
1.5.2	Area Statement					
	• Total area		17,088.00	Ha		
	• Mature area		15,860.22	Ha		
	• Immature area		-	Ha		
	• Mill and Emplishment		193.77	Ha		
	• Infrastructure (road, drain and swamp)		674.27	Ha		
	• Occupation		205.96	Ha		
	• HCV		146.74	Ha		
	• Others		7.04	Ha		
1.6 Planting Year and Cycles						
1.6.1	Age profile of planting year					
	Planting Year	Hectarage (Ha)				
		Semilar Estate	Sei Rindu Estate	Mandang Estate	Puri Estate	Total
	1998	-	-	16.40	-	16.40
	2000	-	-	176.35	323.19	499.54
	2001	-	-	157.95	-	157.95
	2004	-	-	106.66	-	106.66

	2005	2,998.59	-	480.77	1,202.35	4,681.71	
	2006	1,010.24	3,450.02	2,945.06	655.60	8,060.92	
	2007	-	290.16	822.64	733.04	1,845.84	
	2008	-	-	46.22	407.04	453.26	
	2011	-	-	37.94	-	37.94	
	TOTAL	4,008.83	3,740.18	4,789.99	3,321.22	15,860.22	
1.6.2	New Planting area after January 2010			- Ha			
1.6.3	Planting Cycle			1 Cycle			
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Semilar	80	400,933.42	97,920.03	24.42	23,001.00	5.74
	* Source: Production Data of POM period May 2016 – April 2017						
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)	%
	Semilar	4,288.63	4,008.83	120,416.11	30,03	119,993.34	99.65
	Sei Rindu	3,990.60	3,740.18	99,914.60	26,71	96,081.75	96.16
	Mandang	5,170.35	4,789.99	110,383.60	23,04	105,098.91	95.21
	Puri	3,638.42	3,321.22	70,087.19	21,10	73,727.00	105.19
	TOTAL	17,088.00	15,860.22	400,801.50	25,27	394,901.00	98.53
	* Source: Production Data of Estate period May 2016 – April 2017						
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	Tangar Estate	PT BAP (certified)	District of Seruyan, Province of Kalimantan Tengah, Indonesia.	2,081.04			
	Bukit Tiga Estate	PT BAP (certified)		4,434.20			
	TOTAL			6,515.24			
	* Source: Production Data of POM period May 2016 – April 2017						
1.7.4	Product categories			FFB, CPO, PK			
1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product			Previous Certificate Claim 22 July 2016 to 21 July 2017 (tonnes/year)		Actual certified product 22 July 2016 to 15 May 2017 (tonnes/year)	
	• FFB Production			414, 000		349,833.67	
	• CPO Production			104,535		85,343.747	
	• Palm Kernel (PK) Production			23,805		20,045.873	

1.8.2	Estimate of Certified FFB Claim						
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Semilar Estate	4,288.63	4,008.83	124,274	31		
	Sei Rindu Estate	3,990.60	3,740.18	104,725	28		
	Mandang Estate	5,170.35	4,789.99	114,960	24		
	Puri Estate	3,638.42	3,321.22	73,067	22		
	TOTAL	17,088.00	15,860.22	417,025	26		
	<i>* Source: Projection Data of Estate period 22 July 2017 – 21 July 2018</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	Semilar	80	417,025	104,256	25	22,936	5.5
	<i>* Source: Projection Data of POM period 22 July 2017 – 21 July 2018</i>						
1.9	Other Certifications						
	ISPO from Mutuagung Lestari which valid from 19 July 2016 until 18 July 2021						
	ISCC from intertek which valid from 27 Nov 2016 until 26 Nov 2017						
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound	Location	Status	
	Mill	Time Bound					
	Padang Halaban (PT SMART Tbk)	2011	Padang Halaban	2011	North Sumatera	Certified	
			Penantian	2011	North Sumatera	Certified	
			Adipati	2011	North Sumatera	Certified	
			Kanopan Ulu	2011	North Sumatera	Certified	
	Batu Ampar (PT SMART Tbk)	2012	Batu Ampar	2012	South Kalimantan	Certified	
			Batu Mulia	2012	South Kalimantan	Certified	
			Sungai Panci	2012	South Kalimantan	Certified	
			Sungai Panci KKPA	2012	South Kalimantan	Certified	
	Tanah Laut (PT SMART Tbk)	2012	Tanah Laut	2012	South Kalimantan	Certified	
			Kinta Pura	2012	South Kalimantan	Certified	
	Langga Payung (PT TN)	2012	Langga Payung	2012	North Sumatera	Certified	
			Paya Baung	2012	North Sumatera	Certified	
			Normark	2012	North Sumatera	Certified	
	Hanau (PT TN)	2012	Hanau	2012	Central Kalimantan	Certified	
			Tasik Mas	2012	Central Kalimantan	Certified	

		Tanjung Paring	2012	Central Kalimantan	Certified
		Langadang	2012	Central Kalimantan	Certified
		Medang Sari (PT SKU)	2018	Central Kalimantan	-
Semilar (PT TN)	2013	Semilar	2013	Central Kalimantan	Certified
		Sei Rindu	2013	Central Kalimantan	Certified
		Mandang (PT BAS)	2013	Central Kalimantan	Certified
		Puri (PT BAS)	2013	Central Kalimantan	Certified
Jak Luay (PT TN)	2015	Pantun Mas	2015	East Kalimantan	Certified
		Pantun Mas KKPA	2018	East Kalimantan	-
		Jak Luay	2015	East Kalimantan	Certified
		Jak Luay KKPA	2018	East Kalimantan	-
		Long Buluh	2015	East Kalimantan	Certified
		Bukit Subur	2015	East Kalimantan	Certified
		Bukit Subur KKPA	2018	East Kalimantan	-
Leidong West (PT MP Leidong West Indonesia)	2014	Leidong West Utara	2014	Bangka Belitung	Certified
		Leidong West Selatan	2014	Bangka Belitung	Certified
Muara Wahau (PT KDA)	2014	Muara Wahau	2014	East Kalimantan	Certified
		Gunung Kombeng	2014	East Kalimantan	Certified
Gunung Kombeng (PT KDA)	2019	Gunung Kombeng KKPA	2019	East Kalimantan	-
Rantau Panjang (PT KDA)	2017	Rantau Panjang	2017	East Kalimantan	-
		Rantau Panjang KKPA	2017	East Kalimantan	-
Jelatang (PT KDA)	2014	Bangko	2014	Jambi	Certified
		Bangko Plasma	2017	Jambi	-
		Bukit Bungkul KKPA	2017	Jambi	-
		Kubang Ujo Plasma	2017	Jambi	-
		Pamenang Plasma	2017	Jambi	-
		Batang Gading	2017	Jambi	-
		Batang Gading Plasma	2017	Jambi	-
Pelakar (PT KDA)	2017	Pelakar	2017	Jambi	ST-1
		Batang Merangin Estate	2017	Jambi	ST-1
		Batang Tembesi	2017	Jambi	ST-1
Langling (PT KDA)	2014	Bangko	2014	Jambi	Certified
		Bangko Plasma	2017	Jambi	-
		Bukit Bungkul KKPA	2017	Jambi	-
		Batang Gading	2017	Jambi	-
		Batang Gading KKPA (PT SKU)	2017	Jambi	-
		Pamenang Plasma	2017	Jambi	-
		Tiga Serumpun Plasma	2017	Jambi	-

	Sungai Bengkal (PT SKU)	2015	Sungai Bengkal	2015	Jambi	Certified
			Sungai Bengkal KKPA	2015	Jambi	Certified
			Muara Kilis	2015	Jambi	Certified
			Muara Kilis KKPA	2019	Jambi	-
	Bukit Kapur (PT SMART Tbk)	2020	Bukit Kapur	2020	South Kalimantan	ST-1
			Sungai Cantung	2020	South Kalimantan	ST-1
<p>There are revision of time bound plan for SMART, the justification from top management is:</p> <ol style="list-style-type: none"> 1. Pelakar Mill and Rantau Panjang Mill is still process on disclosure & liability by RSPO, while Bukit Kapur Mill doesn't have land use title (HGU), the HGU is still on process. 2. Several associate smallholders (plasma) which refuses to follow the RSPO certification, but the management unit is still communicating with the plasma for the implementation of RSPO certification. 						
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Semilar Mill do not receive FFB from associated smallholders and outgrower.					

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 Worker Welfare, Transparency and Social. Mohamad Amarullah (Auditor). Indonesian Citizen. Masterof Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has been attended several trainings such as Lead Auditor of ISPO, Lead auditor RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19001, ISO 14001, HCV, etc. Has been conducted several ISPO audit scheme as an Auditor since 2014 in BMP, environment, conservation and OHS aspect. Fluent in Bahasa, Malay and English. At the time of audit, has verify aspect of Legal, BMP and OHS. 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 GMIT, ISPO auditor training, ISO 9001/2008 auditor training, ISO 14001/2004 auditor training, IHT Geospatial 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 TN and PT BAS 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 opportunities for improvement of the results ASA-4 delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (Re Certification). Improvement of findings from survailance assesment findings were observed by auditors at this ASA-4 assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of ASA-4.</p>

	The assessment program please find Appendix 2
2.2.3	Location of Assessment
ASA-4	<p>The number of management units of this activity consists of three estates that supply material FFB to the Semilar 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 fundamental and critical. Based on this formula, the team of auditors determine the location of sample is 1 unit mill and 3 estates (Semilar Estate, Sei Rindu Estate and Mandang Estate).</p> <p>Semilar Mill</p> <ul style="list-style-type: none"> • Station of grading, loading ramp, sterilizer, digester, thresher, fat pit, process office. Observation of implementation of work instruction, PPE, emergency respond, water process management. • Security Post. Observation and interview with Security Guard (<i>Satpam</i>) towards FFB reception, product delivery emergency situation handling, OHS and manpower aspects. • Weigh Bridge. Observation and interview with Weigh Beridge Operatortowards FFB reception, product delivery, training/socialization, weigh device callibraton and OHS. • Laboratorium. Observation and interview related to OHS implementation, chemical handling and waste handling. • Chemical material warehouse. Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health. • Workshop. Observations and interviews with workers related to the management and implementation of health safety, and social worker. • Mill Drainage. Observations mill effluent lines, sanitation mill and flow of leaching mill. • 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. • 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. • Methane capture. Observation related to pollution with methane capture, processing and emergency response. • Sedimentation Trap Pond. Observation on rainfall flows system on the mill. • WTP. Observation and interview with operator towards technical, OHS and manpower aspects. • Boiler Station. Observation and interview with Foreman and Operators towards technical work, OHS, emergency handling, special medical check up and manpower aspects. • Engine Room Station. Observation and interview with Foreman and Operators towards technical work, OHS, emergency handling, electricity installation and maintenance, special medical check up, as well as manpower aspects. • Hydrant Simulation. Observation on device readiness. <p>Semilar Estate</p> <ul style="list-style-type: none"> • Block G71. Observation the conditions and position of legal boundary MAM 6. • Block J75. Observation the implementation of management of HCV area in riparian of Rungau River. • Block A49. Observation the community land in HGU of PT TN. • Block H58. Observation the implementation of HCV management in riparian of Ruko River. • Office of Division 3 & 4. Observation the store of pesticide, availability of MSDS, signages, mixing and washing place for sprayer team, store for PPE and spraying tools and the availability of emergency equipment. • Worker quarters (Pondok 2). Observation the facilities for workers such as childcare, condition of housing, domestic waste handling, sport field, emergency equipment and water source. • Chemical and lubricant 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. • Fertilizer store. Observation the store condition, material in store, signages and availability of MSDS. • Clinic. Observation the implementation of medical waste handling, medical facility, record of medical check up and work accident. • Workshop. Observations and interviews related towaste management, OHS implementations and OHS

inspections

- **Block I61/62 Division 4.** Observation and interview with Foreman, **Harvester and loosefruit Pickers** towards technical, OHS, manpower and conservation aspects.
- **Block J66 Division 3.** Observation and interview with Foreman **Pesticide (Roll Up and Erkaforon) Applicators** towards technical work, OHS, special medical check up, manpower and conservation aspects.
- **Block J65/66 Division 3.** Observation on manual **EFB application** with rate 30 ton/ha/year.
- **Block J71 Division 1.** Observation and interview with **IPM (leaf eating caterpillar) census team** towards technical, OHS, manpower and conservation aspects.
- **Block J70 Division 1.** Observation on **barn owl nest**.
- **Block K67/68 Division 1.** Observation and interview with **FFB Transporter and Graber Operator** towards technical, OHS, manpower and conservation aspects.

Sei Rindu Estate

- **Block F71.** Observation the conditions and position of legal boundary MAM 7.
- **Block F71.** Observation the conditions and position of legal boundary MAM 8.
- **Blok C55, Division 1.** Observation on BOB no.19.
- **Blok D55, Division 1.** Observation and interview at spraying activity by MHS.
- **Blok E51 Division 1.** Observation and interview at Harvesting towards technical, OHS, manpower and conservation aspects.
- **Blok F57 Division 2.** Observation and interview at Manuring activity.
- **Block A48.** Observations related to the implementation procedures of domestic waste bins and disposal site is about 5 kilometers from the settlement.
- **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.
- **Worker quarters (Pondok 1).** Field observations and interviews related to workers facility, electricity, domestic waste, sources of fresh water and socialization of company policy.
- **Worker quarters (Pondok 2).** Field observations and interviews related to workers facility, electricity, domestic waste, sources of fresh water and socialization of company policy.
- **Children care (Pondok 1).** Interviews with 2 caregivers at Daycare, Employment, overtime, and Employment.
- **Children care (Pondok 2).** Interviews with 2 caregivers at Daycare, Employment, overtime, and Employment.
- **Generator room (Pondok 1 and Pondok 2).** 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.
- **Medical Post.** Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident.
- **Fertilizer Warehouse (Division 1 and 2).** Observations relating to the implementation of storage hazardous material, Health safety and labor management.
- **Chemical material warehouse (Division 1 and 2).** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Material warehouse.** Observations regarding material which is a storage shed some garden needs, such as offices, courts, and work equipment.
- **Extinguisher.** Observations related to the condition of extinguisher, checklist, preparedness of fire emergency response team and fire simulation.

Mandang Estate

- **Block L/K46.** Observation the conditions and position of legal boundary BPN 009/ MAM 60.
- **Block I29.** Observation the conditions and position of legal boundary BPN 141.
- **Block I30.** Observation the conditions and position of legal boundary BPN 142.
- **Block H/G28.** Observation the implementation of management of HCV area in riparian of Mandang River.
- **Block K45.** Observation the implementation of remediation in buffer zone of Mandang River.
- **Chemical material warehouse.** Field observations related to the fulfillment of health safety as well as interviews with a warehouse clerk of safety health.
- **Fertilizer Warehouse.** Observations relating to the implementation of storage hazardous material, Health safety

	<p>and labor management</p> <ul style="list-style-type: none"> • Diesel Fuel warehouse. Observations relating to the implementation of storage hazardous material, Health safety and labor management • 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. • Medical Post. Observation First aid rooms reasonably clean condition, medical waste recording, labor medical check up and work accident. • Block G43. Observations related to the implementation procedures of domestic waste bins and disposal site is about 5 kilometers from the settlement. • Extinguisher. Observations related to the condition of extinguisher, checklist and preparedness of fire emergency response team. • Workshop. Observation management hazardous waste, transport maintenance and Health safety and labor management. • Worker quarters (Pondok 1). Observation of housing facility, children playground, electricity, water availability, trash management, etc. • 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. • Block J/K 38 Division 2/5. Observation on mechanic road maintenance along mainroad through road-grader and interview with operator towards technical, OHS and manpower aspects. • Block J39/40 Division 4. Observation on manual road maintenance along collection road and interview with workers towards technical, OHS and manpower aspects. • Block I36 Division 2. Observation and interview with Foreman, Harvester and loosefruit Pickers towards technical, OHS, manpower and conservation aspects. • Block I35 Division 2. Observation and interview with FFB Transporter and Graber Operator towards technical, OHS, manpower and conservation aspects. • Block I34 Division 2. Observation and interview with Land Application (POME) Operator towards technical, OHS, manpower and conservation aspects. • Block F42 Division 3. Observation on barn owl nest. • Block K44 Division 6. Observation on manual EFB application with rate 30 ton/ha/year. • MNAE Office. Interview with Foreman, Fertilizer Applicators and Pesticide Applicators towards technical work, OHS, special medical check up, manpower and conservation aspects.
2.3 Stakeholder Consultation and Stakeholders Contacted	
2.3.1	Summary of stakeholder consultation process.
ASA-4	<p>Consultation of stakeholders for PT TN BAS held by:</p> <ol style="list-style-type: none"> 1. Public announcement at web www.mutucertification.com on 25 April 2017. 2. Public consultation by email with government agencies of Seruyan district (Plantation agency, Environmental agency) on 15 May 2017. 3. Public consultation by interview with locals of the nearby village (Rungau Raya Village and Biru Maju Village) on 16 May 2017. 4. Consultation meeting and interview with Internal Stakeholder (labour union, worker cooperative and gender committee and local contractor) on 16 May 2017. 5. Consultation with NGO (Walhi, BOS and WWF) via email on 15 May 2017. <p>Numbers of input from stakeholders were clarified by PT TN & PT BAS</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 (May 2018)**.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Semilar Mill– PT TN and PT BAS operation consisting of one (1) mill and three (4) oil palm estates.

During the assessment, there one (1) Nonconformity were assigned against minor compliance Indicators and six (06) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Semilar Mill – PT TN & PT BAS complied with 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).

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is Continued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1		
<p>There is a list of stakeholder which is reviewed every year by the SPO officer. The list consist of government, surrounding village, cooperation, union labor, etc. CH has list of information for public, which consist of 16 kind of information. The list has been socialized to stakeholder, as informed by the village head of Rungau Raya. There is also procedure of communication and consultation (SOP/SMAR/UMUM/SADV/II/004).</p> <p>The CH has also routinely gave report to government of Seruyan district and Kotawaringin Timur, as example of reporting of hazardous waste report to Environment Agency at 3 May 2017.</p>		
1.1.2		
<p>PIC for communication and consultation is the manager of estate and mill. There is procedure of communication and consultation (SOP/SMAR/UMUM/SADV/II/004). The CH could show list of request of information and communication in form of recording book, as example of SMLM for 2017, which wrote 2 incoming letter of request for assistance. Yet, there is no request for information.</p>		
Status: Comply		
1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
1.2.1		
<p>CH has list of information for stakeholder, which consist of 16 kind of information such as environment document, HCV, SIA, CSR report, OHS Committee report, etc. The list has been socialized to stakeholder and available at estate and mill. All of</p>		

the information list can be accessed by following its procedure.

Status: Comply

1.3

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

1.3.1

There is no change in policy of business ethic code of the company which approve by VPA on 1 August 2014, which consist of 4 credit.

The policy is written in Indonesian language and has been socialized to worker and other stakeholder. It was known based on interview with worker of SMLM, SMLE, SRDE, MNAE and also contractor.

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

CH has master list laws and regulations used for sustainable palm oil management purposes, which consist of:

- 43 items of laws and/or regulations related to legality and land permit, last updated in February 20th 2017.
- 53 items of laws and/or regulations related to OHS and manpower, last update in April 4th 2017.
- 11 items of laws and/or regulations related to social aspect, last updated in February 20th 2017.
- 51 items of laws and/or regulations related to environment aspect, last updated in April 18th 2017.
- 15 items of laws and/or regulations related to HCV, last updated in February 20th 2017.

List of the above has distributed to the estate and mill management unit while the the masterlist and document control was under Department of Sustainability in Jakarta. Several evidence of laws and regulations pursuance related to land, workers walfare, BMP and OHS is presented as follows:

- The CH has conducts zero burning method during land clearing activities.
- The CH has only plants seeds which produced from government recognised seeds producers such as DxP Lonsum, Socfin and Damimas.
- The CH has adopts integrated pest management which consist of early warning system, census, biological control, chemical control, monitoring and evaluation.
- The CH has only used pesticides listed in Pesticides Commission of Department of Agriculture on period 2016.
- The CH has Hiperkes Qualified for company doctor and other paramedics as presented in Certificate No. 23.356/DH-XV/10 issued in August 2010, as required by Permenakertranskop No. 01/1976.
- The CH has in accordance with several regulations related to Operator Licenses, for example Welder Operator (Permenakertrans No. 02, 1982), Power (GenSet) Operator (Permenakertrans No. 04, 1985), Tractor Driver (Permenakertrans No. 05, 1985), Steam Machnie (Boiler) Operator (Permenaker No. 01, 1988) and Lift and Carry (Loader) Operator (Permenakertrans No. 09, 2010), etc.
- Has had land use title for PT TN and progress of land use title for PT BAS
- Has had business permit for PT TN and PT BAS.
- Follow minimum wage of 2017 based on Decree of Kalimantan Tengah Governor number 24 dated 21 November 2016.

2.1.2 and 2.1.4

Procedure of laws and regulations pursuance of legal requirements was presented in document Form No. F/SMART/UMUM/SADV/002/002. The document has describes information of laws and regulations listed, identification of requirement, evidence of evaluation, status of pursuance, person in charge (PIC) and target. Update and evaluation of laws and regulations listed was carried out annually by Sustainability Palm Oil (SPO) Officer in every region. Number of laws and regulations as well as its last update is mentioned in Indicator 2.1.1. All laws/regulations documents were available to be accessed by all management level through SPO Officer from Deptment of Sustainability. There is new additional laws and/or regulations during period 2016 to January 2017, i.e.

- OHS Aspect: Permenaker No. 37 year 2016, Permenaker No. 38 year 2016.
- HCV Aspect: PP No. 57 year 2016 (revision of PP No. 71 year 2014).
- Manpower aspect: SK Governor of Kalimantan Tengah No. 24 dated November 21st 2016 about province minimum wages for plantation sector (in Appendix).

2.1.3

Mechanism of laws and regulations update and evaluation was presented in document procedure No. SOP/SMART/UMUM/SADV/II/002. Chapter II of procedure describes a flowchart of laws/regulations pursuance, starts from identification of relevant national and local laws and regulations, collection and update, arrangement, distribution to the respective parties/Departments, acceptance of documents, document management (storage), socialization, evaluation, implementation, fulfillment and continuous evaluation. The CH has shows letter of assignment of SPO Officer from Regional Controller (RC) of Kalimantan Tengah III No. 001/VP-PSM6/01/2014 dated January 28th 2014. The letter mentioned that staff with SPO PSM-6 position was appointed as person in charge for update and monitoring of laws and regulations implementation. Date of last evaluation and update were presented in Indicator 2.1.1. summary of evaluation mentioned that all laws/regulations aspect has 100 % comply (except for legal aspect), described as follows:

- HCV aspect mentioned that from 30 from total 41 points required, 30 points has identified as comply, while the rest was noted as not applicable.
- Environment aspect mentioned that from total 147 points required, 101 points has identified as comply, while the rest was noted as not applicable.
- Social aspect mentioned that from total 42 points required, 40 points has identified as comply, while the rest was noted as not applicable.
- Land permit and legality aspect aspect mentioned that from total 105 points required, 76 points has identified as comply, 9 not-comply while the rest was noted as not applicable.
- OHS and Manpower aspect aspect mentioned that from total 275 points required, 244 points has identified as comply, while the rest was noted as not applicable.

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 8,279.23 hectares which consist of 2 certificate HGU and HGU progress of PT BAS for an area of 8,808.77 Ha. Based on document review and field visit known that certification unit has manage a area of 17,088 Ha consist of 15,860.22 Ha planted area; 272.46 Ha supporting facilities. Interview with communities is known that the CH did not conduct expansion the operation area since last assessment (May 2016).

The process of Land Use Title of PT BAS cannot be continued due to the regulation changes on 2005. The last progress of the HGU of PT BAS is the completion of files to exchange forest areas. The progress will be observed on next assessment.

OFI

2.2.2

Management unit has had list and map of boundry pole from National Land Agency. Based on the data, there are 120 pole in PT BAS and 101 pole in PT TN. Management unit have conducted monitoring and maintenance of boundary pole every three month. The monitoring results for 2016 – 2017 showed that all pole in PT BAS and PT TN are in good condition. Field visit in PT TN and PT BAS showed that Boundary Pole MAM 8, MAM 7, MAM 6, BPN 9, BPN 141 and BPN 142 are well-maintained (see picture) and the pole position is meet with the coordinate. Besides that, CH also maintaining trenches / road along as part of boundary marker (see picture).



2.2.3; 2.2.4 & 2.2.5

The consultation results with communities (Biru Maju Village and Sungai Rungau Village) is known that there was no dispute / conflict of land between the companies and communities for period 2017, but there was a dispute on 2011 and has been resolved on 2016. The resolved on dispute has been involve by local government and RSPO.

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 conflictre solution which stated that the resolution involve the stakeholder.

2.2.6

GAR as parent company of PT TN and PT BAS 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 indetified 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 dispute by any parties.”

Consultation with the stakeholders (Biru Maju Village and Sungai Rungau Village), 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 2010.

Document review, field visit and interview shows that since the last assessment (May 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

The CH has shows ften years longterm management business and budget plan for period 2017-2027. 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 FFB production, CPO and kernel production, production cost, transportation/distribution cost, balance/revenue, tax, IDR and USD inflation, FFB and CPO price and currency rates. This longterm budget plan has made by Department of Finance and approved by Regional Controller of Kalimantan Timur I. The longterm plan was extracted more details in annual budget plan which prepared by the Estate Manager. Based on soil map which derived from Plantation Monitoring and Planning (PNMP) Division 2011, it was informed that there were no presence of peat soil within PT TN and PT BAS operational areas. Hence, there is no plan related to peat management.

3.1.2

Based on hectare statement, it was informed that palms in PT TN and PT BAS were planted within 1998 to 2011. Furthermore, according to criteria of replanting which mentioned in replanting procedure, it was stated that cycle of oil palm was about for 25 years. Hence, the CH has no replanting plan in the near future (for the next three years). According to the oldest planted palms only, it was predicted that the first replanting would be carried out in 2023.

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

CH has SOP-IK Technical of Oil Palm Cultivation starting from land clearing up to harvesting drafted by team of MCAR (*Management Committee Agronomy and Research*) in 2012. The SOP 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 Level of erosion by erosion stick.

CH also has a complete SOP associated with the processing of palm oil into CPO and PK in the palm oil mill contained in the SOP No. 04-09 / MCMD-SOP / 438 revisions number 4. SOP approved by Chairman MCMD and entered into force on 1 September 2010. The SOP includes standard operating procedures in POM include: FFB reception station, sterilizer station, threshing station, press station, clarification station; Oil recovery tank substation, nut and kernel station, boiler and engine room, water treatment, final effluent, storage tank washing.

Based on a field visit and interviews with the harvesters in the block I 36 division 2 Mandang Estate, Block I36 division 4 Semilar estate and Block E51 Division 1 SeiRindu Estate, the harvesting process has complied with procedures that issued by the company. The harvesters can explain well on harvesting correct procedures. Particularly relevant to the criteria for ripeness. Harvesters and pickers also explained about payments mechanism and obligation to use personal protective equipment (PPE) according to the HIRAC. Besides that, all workers have attended socialization of company policies, list of animal protected by the laws and conservation area.

Based on field visit at Semilar Mill, loading ramp stations, clarification stations, nut and kernel stations, boilers and engine rooms, water treatment plants, final effluent and WWTP is known to the worker to understand the work procedures they have. As an example, loading ramp officers have understood the related fruit sorting criteria and the separation of fruit sorting.

4.1.2 & 4.1.3

To ensure consistency of procedures implementation, the company routinely conduct internal audit both agronomic and processing. It's held by the Department of Operational Internal Audit (OIA) every semester. The records of internal audit 2nd semester 2016 (July - December) has documented. Non-compliance records of internal audit has corrected and verified by

top management such as manager, RC and VPA. Reports from the OIA Department are located in each Estate and Mill Management Unit.

4.1.4

Semilar 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 sister company 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

Procedure (SOP) of soil fertility management was presented in document No. SOP/SMART/MCAR/IX/TA-PPK about manuring and document No. SOP/SMART/MCAR/X/TA-PTB about field upkeep on immature areas. According to manuring recommendation program in 2017/2018, it could be concluded that calculation of fertilizer rates were derived from leaf and soil analysis. Furthermore, actual time of application has follows the schedule recommended by SMARTRI Agronomist. Moreover, according to interview with estate and mill staff and field observation to Block K44 Division 6 MNAE and Blok J65/66 Division 3 SMLE, it was found that by-products such as EFB has applied on the estate fields for nutrient cycle purposes. Dosage recommended and implemented was 30 ton FFB/ha/year of 220 kg/palm/year. Furthermore, land application by POME has only applied in MNAE. As observed in Block I34 Division 2, it was found that POME has applied in the permitted area for organic matters increment (especially N) purposes.

4.2.2

Records of fertilizer application was presented in document of fertilizer recommendation and realization 2016/2017 and Division work program. Fertilizer recommended in 2016/2017 are DAP (Diammonium Phosphate), Kieserite, MOP (Muriate of Potash), RP (Rock Phosphate), TSP (Triple Superphosphate), Urea Non-subsidized, CuSO₄, Kieserite granular, Super Dolomite and HGFB (Borate). For example, application of DAP in SMLE, SRDE and MNAE from January to April 2017 were about 156.75 mt, 149.50 mt and 18.10 mt, respectively.

4.2.3

Procedure No. SOP/SMART/MCAR/IX/TA-PPK about manuring mentioned that leaf and soil sampling for annual manuring program purposes shall be conducted annually and every five years, respectively. Both sampling is carried out by SMART Research Institute (SMARTRI) team. The results has also been used for soil fertility monitoring and evaluation. Estate management unit was able to shows leaf sampling analysis (LSU) results period 2016 for SRDE, SMLE and MNAE which presented in document Ref. No. 408/DAUN/LAB-SMARTRI/VIII/2016, No. 407/DAUN/LAB-SMARTRI/VIII/2016 and No. 411/DAUN/LAB-SMARTRI/VIII/2016, respectively. All LSU documents were dated on August 22nd 2016. Parameters being tested for leaf sampling are dry matter percentage of macronutrient (N, P, K, Mg and Ca) and micronutrient (B, Mn, Zn, Cu, Cl and Fe). Furthermore, soil sampling unit (SSU) analysis results for SMLE and MNAE were presented in documents Ref. No. 099/TANAH/AL/ALNZ/10/15 and No. 102/TANAH/AL/ALNZ/10/15, respectively both were dated on October 9th 2015. Parameters analyzed on soil sampling are moisture content, texture, pH, base saturation, organic C, N-total, C/N ratio, available P, cation exchange capacity (CEC), Ca, Mg, K and Na. All parameters analyzed later on to be used as a base of annual fertilizer recommendation calculation by the SMARTRI Agronomist. However, SSU for SRDE were still not available since the samples were not analyzed yet due to laboratory over capacity, as mentioned by SMART Research Institute management in Letter No. 086/RFC.SMARTRI-SRGE/EXT/V/17. The analysis was still ongoing. This is will be observed on the next audit assessment. **OFI**

Based on fertilizer recommendation in 2017, it could be concluded that annual dosage recommended were derived from leaf and soil sampling analysis. Moreover, some corrections of fertilizer rates recommended has also made by visual observation towards palms figure and color assessment by the Agronomist to adjust specific additional fertilizer input if there were nutrient deficiency detected.

4.2.4

Apart from chemical fertilizers application, the CH had a strategy of nutrient cycle from oil palm processing by-products such as empty fruit bunch (EFB) and palm oil mill effluent (POME). The EFB and POME are expected to supply extra potassium (K) and Nitrogen (N), respectively. Moreover, pruned fronds during harvesting activity has indirectly considered as nutrient cycle strategy. Rates of application of EFB and POME were about 220 kg/palm (or 30 ton/ha/year) and 375 m³/ha/year, respectively. Though POME has produced by SMLM in PT TN, the application has only applied (prioritized first) in PT BAS by Agronomist recommendation, due to soil properties and geographical reasons. Based on field observation to Block K44 Division 6 MNAE and Blok J65/66 Division 3 SMLE, it was found that by-products such as EFB has applied on the estate fields for nutrient cycle purposes. Dosage recommended and implemented was 30 ton FFB/ha/year of 220 kg/palm/year. Furthermore, land application by POME has only applied in MNAE. As observed in Block I34 Division 2, it was found that POME has applied in the permitted area for organic matters increment (especially N) purposes. Those by-products application has very well implemented and in accordance with procedures.

Status: Comply

4.3

Practices minimize and control erosion and degradation of soils.

4.3.1; 4.3.2 and 4.3.6

CH was able to show soil maps with scale of 1:25,000 and 1:50,000 which derived from soil survey semi detail conducted in November 11th to 17th 2008. The maps informed that there were no presence of peat soil within PT TN and PT BAS operational areas. In term of topography condition, there was no areas with slope more than 40 %. Those information were confirmed during field observation. Based on soil survey report, it was informed that there were about 687 ha (or approximately 4.02 %) of PT TN and PT BAS total areas were classified as fragile (N1 and N2). Major limitation for oil palm cultivation which considering as fragile in both company were due to the presence of hardpan, poor drainage properties on lowlying areas, very low soil fertility and domination of sandy soils texture.

It was informed on soil survey report that there were totaling (PT TN and PT BAS) about 473.01 ha (or approximately 2.77 %) has hilly slope class. To overcome limitation on hilly area, several method had implemented which refers to procedure No. SOP/SMART/MCAR/I/TA-PPA about planning of land preparation on new planting and No. SOP/SMART/MCAR/IV/TA-PLB about new land clearing, such as by making terraced planting pattern on hilly areas for soil conservation, by making silt pit for water conservation, planting of trees on riparian of conservation area, monitoring of soil erosion on palm circle, inter-row and harvesting path and frond stacking technique. Based on field observation to SMLE and SRDE, it was found that land management which had implemented in 21-40 % elevation area were terraced planting pattern, manual upkeep and fronds was stacked parallel to the contour line. Moreover, the ground was satisfactory covered by ferns (*Nephrolepis* sp.) and vetiver grass. Furthermore, To overcome several limitation such as presence of hardpan, poor drainage properties on lowlying areas, very low soil fertility and domination of sandy soils texture, several strategy recommended by SMART Research Institute are to enhance organic matters through by-products application (EFB and POME), fertilizer recommendation given should be based on leaf and soil sampling analysis and adoption of field drain on lowlying areas.

4.3.3

Program of road maintenance has found on annual budget plan which included on Budget of transportation cost. Each Estate management unit has road roller and road grader (except Puri Estate). Road maintenance activities were consist of manual maintenance such as cover crop clearance, pruning on collection road, surface reparation through laterites and road compaction. The CH has able to show road maintenance program and its realization which shows on road compaction map, heavy machinery work record and mandor work book. Based on field observation and road maintenance activities to Block J/K Division 2/5 and Block J39/40 Division 4 MNAE, it was found that mechanized through road roller for road compaction and pruning along collection road which aims to allow sun light directly dried the roads were satisfactory implemented. In general, road conditions were well maintained and easily passable by FFB transport unit.

4.3.4 and 4.3.5

As mentioned in Indicator 4.3.1, it state there were no presence of peat soils within PT TN and PT BAS operational areas. Hence, water management and drainability study for replanting program is not applicable for the CH.

Status: Comply

4.4

Practices maintain the quality and availability of surface and ground water.**4.4.1**

Mandang Estate, Sei Rindu estate, and Semilar estate has water efficiency program in 2016 period.

- Identify the source of water used;
- Installation of water-saving sticker;
- Socialization water savings;
- Check the condition of the water installation;
- Examination of the condition of the water sources;
- The setting-hour streaming;
- Rehabilitation surrounding water sources;
- Installation of signboard banned chemical applications around water reservoir

Semilar mill has domestic water use efficiency program in 2016, with details following activities:

- Identify the source of water used;
- Installation of water-saving sticker;
- Socialization water savings;
- Examination of the condition of water installations;
- Checking the condition of the water sources
- Set up water schedule; installation and recording control flow meter; installation of automated flow meter; installation of automatic valve in verifier tank; installation of the floating switches; monitoring water levels in reservoirs; Rehabilitation around the reservoir; installation of signboard "No chemical applications" around the reservoir; maximize pumping water from the river to the reservoir.

In addition, the company also has been testing the quality of surface water and clean water as specified in the document management plan and environmental monitoring plan periodically every six months, for PT TN and PT BAS. Result quality of surface water and clean water reported to environmental agency district and province.

4.4.2

Based on identification of HCV, there is riparian area that is mapped with scale of 1: 70.000 (PT TN) and scale of 1:65.000 for PT BAS. Based on field observation to riparian area of Ruko and Mandang known, riparian has been managed as follows:

- There is a boundary of HCV areas
- There is signboard forbidden to hunt
- The conditions of riparian with natural vegetation
- Red marking on palm oil tree for ± 50 meter from the left and right of the riparian.

Based on field visit in Mandang Estate Block K45 is known that riparian of Mandang River have done remediation activity by planting some tree species such as *sungkai*, *nyatoh*, *ketapang* and *salam* (see picture). Interviews with management note that remediation activities have been done on 4 blocks consist of Block K43 – 45 and L42.

**4.3.3**

CH also has regularly test the quality of effluent, which is conducted by an accredited laboratory. There are test results of effluent for period of January – March 2016 which is show the quality is not exceed the standard of *KEPMENLH NO. 29 of 2003*.

CH has land application permit issued by Head of Kotawaringin Timur (No. 188.45 / 325/2015) on August 7, 2015 and valid for 5 years. Land application area covering 619.47 hectares in PT BAS and an area of 299.91 hectares in PT BAP.

Based on document, known effluent sent to land application in Mandang estate on January is 6,100 M3, February is 8,634 M3, March is 12,245 M3.

4.4.4

Mechanism of water monitoring explained in water management process and boiler station Procedure and also in Work

Instruction for Clarifier Tank (IK-42). Mill regulery have recapitulated the use and distribution of water, as it provided an example for 2016 as follows:

- FFB process : 372,154.14 tons.
- The water process used: 473,154.44 m3.
- Ratio of water Process used per ton actual FFB: 0.87 m3.

CH has send the application letter to Seruyan Regent dated on 17 April 2017 related to the use of water resource for mill operation. The approval of application letter to use the water resource will be observed on next assessment. OFI

The water used more than budget due to decline of FFB production. The budget of water usage is 0.83 m3. During the visits to the WTP station is known that the flow meter water that feeds water to the boiler can operate properly.

Status: Comply

4.5

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

4.5.1

The CH has committed to implement integrated pest management (IPM) activities in which presented in several procedures, such as No. SOP/SMART/MCAR/VIII/TS-PGM dated June 12th 2012 about weeds control which covers weeds control and No. SOP/SMART/MCAR/VII/TA-HPT dated June 12th 2012 about Pests and Diseases (P&D) Control Management. Details of P&D control has presented in several work instruction (WI) such as No. IK/SMART/MCAR/VII/TA-HPT/01 about leaf eating caterpillar detection, No. IK/SMART/MCAR/VII/TA-HPT/02 about leaf eating caterpillar census, etc.

Such P&D management activities has been programmed in the activity program for divisions. Some related matters that have been carried out by management team in 2017 are:

- Census of bagworm on March 2017 in SMLE, SRDE and MNAE shows there were no incidence in both estates. This is noted during field observation on those estates. Hence, no pesticide application in April 2017 for bagworm control.
- Census of rats in SMLE dated April 13th 2017 informed that the level of incidence which was above 5% has only noted in Block G27 on 35.47 ha areas. Chemical application through 25 kg of ratbait namely Erkatryl 0.0375 BB (coumatetralyl) has been implemented to overcome this situation on April 26th, following by 4 kg in April 29th 2017.
- Census of rats in 3rd-5th April 2017 in SRDE Division 3 where incidence is more than 5% was noted in Block F35 (25.91 ha), F70 (27.24 ha) and F71 (27.02 ha). it was about for about 39 kg and 20.80 kg of Erkatryl 0.0375 BB application has been carried out in April 11th and 13th April 2017, respectively for first campaign then following by the second campaign for about 5.03 kg and 2.78 kg which were applied in April 15th and 17th, respectively.
- The CH has implementing biological control such as planting of beneficial plants (*Turnera subulata*, *Antigonon leptopus* and *Cassia cobanensis*) for leaf eating caterpillar population control, where easily found on the main and collection roads during filed observation, and conducting barn owl (*Tyto alba*) for rat's population control. Based on field observation to Block J70 Division 1 SMLE and Block C55 Division 5 SRDE, it was found the presence of barn owl signed with rat's bones and barn owl feathers.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Erkaforon 20 WG (Methyl metsulfuron) could be substitute with Roll Up 480 SL (Isoprophyl amine glyphosate). Moreover, biological control has also adopted as mentioned above.

4.5.2

The CH has conducting several trainings which aims to maintain workers knowledge and skills towards P&D management, for example as follows:

- Training and refreshment of integrated pest management in SMLE, conducted in February 14th 2017, attended by 19 upkeep workers.
- Training of limited pesticide application (Paraquat) in SMLE, conducted in March 12th 2015, attended by 34 workers with 26 of it were pesticide applicators.

- Socialization of material safety data sheets (MSDS) and simulation of agrochemicals exposed handling in SRDE, conducted in January 27th, attended by 8 workers.
- Socialization of HIRAC towards safety working in SRDE, conducted in February 3rd 2017, attended by 44 workers.

Based on field observation and interview with Foreman and pesticide applicators in MNAE office, Block J66 Division 3 SMLE and Block D55 Division 1 SRDE, it could be concluded that the interviewee were able to explained and demonstrate several technical skills such as PPE used, spraying techniques and prohibited application areas such as HCV and riparian areas which marked with redcross on palm trunks or yellow-red poles.

Status: Comply

4.6

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

4.6.1; 4.6.3; 6.3.4

Procedure No. SOP/SMART/MCAR/VII/TA-HPT dated June 12th 2012 about Pests and Diseases (P&D) Control Management mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than threshold limits. Furthermore, for weeds control purposes, work instruction No. IK/SMART/MCAR/VIII/TA-PGM/03 dated March 26th 2012 has describes weeds control on the palm circle, harvesting path, FFB platform, rotation, pesticides uses, type of weeds and recommendation of pesticides. For example in old mature areas, dosage of mixed pesticides recommended are Glyphosate 0.25 l/ha and methyl metsulfuron 0.013 kg/ha.

The respective auditor has carried out field observation and interview with Pesticide Applicators and Foreman in MNAE Office, Block J66 Divisi 3 SMLE and Block D55 Divisi 1 SRDE. The results concluded that interviewee has able to explain and demonstrate several technical which mentioned in the SOP, such as: PPE to be wearred, considering wind flows during spraying, do not spray HCV areas (include riparian and water sources zone), mistblower and CDA sprayer setting, etc.

In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leaf control such as *Ageratum conyzoides*, *Boreiva alata* and *Mikania micranta*, the use of Erkatufuron 20 WG (Methyl metsulfuron) could be substitute with Roll Up 480 SL (Isoprophyl amine glyphosate). Moreover, biological control has also adopted such as planting of beneficial plants (*Turnera subulata*, *Antigonon leptopus* and *Cassia cobanensis*) for leaf eating caterpillar population control, where easily found on the main and collection roads during filed observation and conducting barn owl (*Tyto alba*) for rat's population control. Based on field observation to Block J70 Division 1 SMLE and Block C55 Division 5 SRDE, it was found the presence of barn owl signed with rat's bones and barn owl feathers.

According to pesticide used record in 2017, it was informed that pesticides has only used for weeds and rats control. The CH has only used pesticides listed in the book of pesticide commission 2016 issued by Department of Agriculture, Republic of Indonesia and there is no pesticides listed in WHO Appendix 1A and/or listed in Stockholm or Roterdam Convention as well as paraquat. However it was noted stock of Erkatryl (coumatetralyl) which classified into Appendix 1B WHO. The dosage of active substance used was very low which is about 0.0375 % of coumtetralyl. For minimizing rat bait application purposes, adoption of barnowl has signifantly reduce the use of baits. Compared to the previous year, the use of ratbait in SMLE and SRDE in 2016 has reduced for about 56.10 %, and 55.68 %, respectively. This is indicate the success of barn owl application. However, implementation of ratbaits in MNAE has just conducted in 2016.

The CH has Memorandum of President Director No. 044/PD/IX/2014 dated November 21st 2014 which mentioned that the CH has commits to reduce the use of paraquat for about 30 % annually and zero use of paraquat in 2018. According to pesticide use records, the paraquat has not applied since 2016.

4.6.2

Record of pesticide used is presented in document of pesticide used and analysis which updated every month. The document has covers active substance monitoring and LD-50. Pesticide application program has only adopted for weeds control, such as palm circle and harvesting path spraying. Apart from that, pesticide application should be based on census analysis.

4.6.5; 4.6.7 and 4.6.9

Procedure of pesticide handling has presented in document No. SOP/SMART/MCAR/VIII/TS-PGM dated June 12th 2012 about weeds control which covers weeds control in the nursery, immature and immature areas, equipment used for weeds control, safety procedures of control, guideline of agrochemicals uses (include paraquat) and monitoring. Moreover, several procedure and work instruction has also used as a guideline, such as procedure No. SOP/SPO/SMART/LH-09 about waste management and work instruction No. IK/SPO/SMART/LH-09/01 about stage of eks pesticide containers handling (washing and cleaning).

Procedure No. SOP/SMART/MCAR/VII/TA-HPT dated June 12th 2012 about P&D Control Management mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than threshold limits. Furthermore, for weeds control purposes, work instruction No. IK/SMART/MCAR/VIII/TA-PGM/03 dated March 26th 2012 has describes weeds control on the palm circle, harvesting path, FFB platform, rotation, pesticides uses, type of weeds and recommendation of pesticides. For example in old mature areas, dosage of mixed pesticides recommended are Glyphosate 0.25 l/ha and methyl metsulfiron 0.013 kg/ha. Furthermore, procedure of pesticide handling has presented in document No. SOP/SMART/MCAR/VIII/TS-PGM dated June 12th 2012 about weeds control which covers weeds control in the nursery, immature and immature areas, equipment used for weeds control, safety procedures of control, guideline of agrochemicals uses (include paraquat) and monitoring.

The CH has conducting several trainings which aims to maintain workers knowledge and skills towards pest and disease (P&D) management, for example as follows:

- Training and refreshment of integrated pest management in SMLE, conducted in February 14th 2017, attended by 19 upkeep workers.
- Training of limited pesticide application (Paraquat) in SMLE, conducted in March 12th 2015, attended by 34 workers with 26 of it were pesticide applicators.
- Socialization of material safety data sheets (MSDS) and simulation of agrochemicals exposed handling in SRDE, conducted in January 27th, attended by 8 workers.
- Socialization of HIRAC towards safety working in SRDE, conducted in February 3rd 2017, attended by 44 workers.

PT TN and PT Bas do not have smallholder cooperation scheme.

Based on field observation and interview with Foreman and pesticide applicators in MNAE office, Block J66 Division 3 SMLE and Block D55 Division 1 SRDE, it could be concluded that the interviewer were able to explained and demonstrate several technical skills such as PPE used, spraying techniques and prohibited application areas such as HCV and riparian areas which marked with redcross on palm trunks or yellow-red poles. Basicly the technical operation such as safe application technique, pesticide handling and PPE completeness has deliver routinely to applicator during daily muster morning. However, in order to refresh their knowledge and skills, training on of pesticide application as well as its handling were carried out annually.

Sprayer used has settled on low volume, i.e. mistblower and CDA Sprayer. Moreover, based on observation to agrochemical warehouse in MNAE and SMLE, it was foud that pesticides stored were matched with pesticides used records. Furthermore, MSDS documents has also available.

4.6.6

CH has a SPO material management and the displacement (SOP / SMART / LEMS-EHSD / SADV / I / 006), explained the material characteristics and hazardous chemicals. Officers do control is a warehouse clerk, chief warehouse entitled to reject the chemicals that have been damaged and the expired. Chemicals Its expiration will be stored in store of hazardous waste warehouse or be returned to 3rd Party which is Rolimex.

Based on field visit in Chemical warehouse of Semilar 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.

CH has minutes of meet ex packaging pesticides which come from Semilar Estate, Mandang Estate and Sei Rindu Estate to Rolimex. Based on field visit in housing division 2 and landfill, Semilar Estate and division 2, 3 Sei Rindu is known there are no ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not Similar.

4.6.8

According to estate management information, field visit and the field upkeep program, it could be concluded the CH has only apply pesticide by *Knapsack/spraying* equipment (not spreaded from the air).

4.6.10

CH has a Waste Management SOP No. SOP / SPO / SMART / LH-09 published on July 1, 2010, in point 6.3.b explained that the ex pesticide containers that have been washed returned to the Supplier (PT Rolimex). ex pesticide containers that are returned to the Supplier recorded in the minutes of delivery.

CH has a SOP No. SOP / SMART / LEMS-EHSD / SADVI / 002 about SOP of waste management published on July 2, 2014. SOP explained that the ex-agrochemical waste containers washed three times and stored in the warehouse to be returned to the supplier. CH also has a work instruction of washing and cleaning of used pesticide containers which explained that the former pesticide containers were washed 3 times (According to the MSDS) and used washing water is re-used for spraying. Ex-pesticide containers that have been washed returned to Supplier.

Record management Hazardous Waste, included in reporting management hazardous waste quarterly such as period January to March 2017 to environment agency of seruyan district. The Training and socialization to spraying workers, about ex pesticide container disposal are available. All discarded containers of chemicals generated by Estate and Mill, placed in hazardous waste warehouse.

4.6.11

The CH was able to shows the list of pesticide applicator in 2017 and its special medical check up records in Semester 2 of 2016 and Semester 1 of 2017. Summary of special medical checkup for pesticide applicators which conducted by company doctor (Hiperkes certified) is presented as follows:

- Spirometry test by Autospiro AS507 device has been conducted in May 8th 2016 towards 83 of related agrochemicals workers in SMLE while cholinesterase test by Inschenpro pest-100 device has been conducted in November 30th to December 2nd 2016 towards 34 pesticide applicators, 2 agrochemical warehouse staff and 15 fertilizer applicator in SMLE. The results indicates both special test were considered normal.
- Spirometry test by Autospiro AS507 device towards 92 of related agrochemicals workers in SRDE and cholinesterase test by Inschenpro pest-100 device has been conducted in November 30th to December 2nd 2016 towards 27 pesticide applicators and 2 agrochemical warehouse in SRDE. The results indicates both special test were considered normal.
- Spirometry test by Autospiro AS507 device towards 56 of related agrochemicals workers in MNAE and cholinesterase test by Inschenpro pest-100 device has been conducted in December 2nd 2016 towards 38 pesticide applicators and 2 agrochemical warehouse in MNAE. The results indicates both special test were considered normal.

Based on field interview with Foreman and pesticide applicators in MNAE office, Block J66 Division 3 SMLE and Block D55 Division 1 SRDE, it was stated that the CH has conduct annual special medical check up such as spirometry and cholinesterase. The results has informed to the applicator and for those whose identified affected (positive) will be transferred into manual upkeep works.

4.6.12

Circulation leter No. 001/SE-ADH3/BNJO/01/2010 dated January 12th 2010 about pregnant and breastfeeding women and medical check for pesticide applicator mentioned that pregnant and breastfeeding women are prohibited to works as agrochemicals applicators and obliged to regularly carry out a special medical check up every 4 months with pointed paramedics. There is no female pesticide applicators in both SMLE and SRDE, but there was 14 female pesticide applicators in MNAE (as per may 2017). Pregnancy test was conducted every moths by company clinic which documented in List of pregnant and breastfeeding agrochemical applicator. This monitoring document has checked and signed by P2K3 (OHS organization) chief and secretary, as well as company doctor or paramedics. Based on field interview with pesticide applicators in pesticide applicators in MNAE office, it was stated that pregnant and breastfeeding workers were prohibited to works with agrochemicals. The identified workers will be transferred into manual upkeep works.

Status: Comply

4.7

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

4.7.1

Policy on OHS of CH has issued by the President Director of PT SMART, Tbk on November 1st 2013. The policy indicates CH's commitment towards OHS implementation through:

- To communicate policy and OHS procedures to all employees and stakeholders which have interest.
- To comply with government OHS related regulations.
- To ensure implementation of OHS as a part of operational process.
- To identify, appraising, and control of continuous improvement in order to avoid work accident.
- To manage and monitor OHS indicators and conducting a continuous improvement.

The CH has socialize the policy mentioned above during P2K3 meeting which conducted on March 8th 2017, February 13th, May 3rd 2017 and January 10th 2017 in SMLM, SMLE, SRDE and MNAE, respectively. Furthermore, socialization to Contractor has been conducted on March 4th 2017 in SMLM.

CH has shows OHS work program for 2017, arranged by Secretary of P2K3 (Licensed OHS). Several program in 2017 for example work program of OHS in SMLM PT TN 2017 which presented in matrix Table, issued by the Chief and Secretary of P2K3 in January 7th 2017. The program has covers 7 program on counseling, 3 program on monitoring, 2 program on evaluation, 2 program on research, 3 program on health and 3 program on secretary works aspect. Realization of each program has noted on the same document. For example, report of P2K3 has delivered to Manpower Agency in January 2nd and April 1st 2017. Furthermore, monthly meeting of P2K3 committee has been conducted in January 25th, February 27th, March 10th and April 26th 2017. Furthermore, there is work program of OHS in MNAE PT BAS 2017 which presented in matrix Table, issued by the Chief and Secretary of P2K3 in January 2nd 2017. The program has covers 7 program on training, 2 program on monitoring, 2 program on evaluation, 2 program on research, 4 program on health and 4 program on secretary works aspect. Realization of each program has npted on the same document. For example, report of P2K3 has delivered to Manpower Agency in January 2nd and April 3rd 2017. Furthermore, managment review, hiperkes and monthly meeting of P2K3 committee has been conducted in January 1st, February 14th, March 20th and April 28th 2017.

Evidence of OHS work program implementation has recorded in training report, medical check-up report, records of purchasing of OHS related equipments (PPE, first aid kit, fire extinguisher, hydrant, etc.), P2K3 monthly meeting notes and three-monthly P2K3 reports. Furthermore, Evaluation of OHS program, achievements and its monitoring was presented in P2K3 monthly meeting notes and three-monthly P2K3 reports. Based on observation to SMLM, SMLE, SRDE and MNAE, it was found first aid box, fire extinguishers and hydrant stations were satisfactory maintained. Regular checklist monitoring were also available. Moreover, simulation of hydrant were considered satisfactory.

4.7.2

The CH has the hazard identification risk and control (HIRAC) which presented in documents Form F/SMART/THESSEHSD/SADV/002/004, as follows:

- Document of HIRAC PT TN unit SMLM, issued by the Secretary of P2K3 on April 25th 2017.
- Document of HIRAC for PT TN unit SMLE, issued by the Secretary of P2K3 on January 17th 2017.
- Document of HIRAC for PT TN unit SRDE, issued by the Secretary of P2K3 on May 17th 2017.
- Document of HIRAC for PT BAS unit MNAE, issued by the Secretary of P2K3 on December 30th 2016.

The HIRAC has covers all working activities on the mill and estates. The analysis has covers risk hazard identification, sources of hazard risk, frequency (routine, non-routine, emergency), potential risk identification (sources and impacts), control management, risk analysis of severity level and value level. Crosscheck to the field, the compliance of application of product requirements which presented in MSDS and HIRADC document. For example, based on observation towards pesticide application in Block J66 Divisi 3 SMLE and Block D55 Divisi 1 SRDE, it was found that respirator used by applicators were in accordance with MSDS and HIRADC requirement.

The Ch has records work accident in the form of recapitulation of work accident which informed time of accident name of employee, gender, age, accident impact (death, physical defect, etc.), and accident factors, as well as lost and root of course.

For example, it was reported that there was 8 accident noted in March 2017 for SMLE, which four has categorized as medium and the rest was heavy accident. For example, document record of heavy accident category of harvester informed that his left eye has injured by pollen in Block K70 at 12:00 am. Lost day was 7 days as recommended by company doctor. All document required such as investigation report, accident report stage-1, accident report within 1x24 hour, Jamsostek card, medical recommendation letter (Form 3bKK3BPJS Ketenagakerjaan), eye specialist doctor letter, receipt which paid by the company dated April 11th 2017 were available. The doctor has conduct surgery of OS exploration as medical action follow up.

All accident incidence were noted and evaluate by the Secretary of P2K3. Evaluation has informed time of accident, identity of worker, accident impact, accident factors as well as root of course. Evaluation result were next to be considered into the upcoming P2K3 meeting subject for evaluation and planning a strategy purposes.

4.7.3

CH has conduct several training and socialization related to OHS, for example as follows:

- Training on first aid SMLM, SMLE, SRDE and MNAE which attended by 10, 46, 56 and 34 workers respectively. Training on the mill has conducted in May 18th 2016 while in all Estates has conducted together in February 13th 2017.
- Socialization of material safety data sheets (MSDS) and simulation of agrochemicals exposed handling in SRDE, conducted in January 27th, attended by 8 workers.
- Socialization of HIRAC towards safety working in SRDE, conducted in February 3rd 2017, attended by 44 workers.
- Training on fire extinguisher and hydrant in SMLM, conducted in February 6th 2017, attended by 7 workers.
- Scenario and simulation of emergency condition of riots, conducted in SMLE emplacement on March 13th 2017, attended by 32 workers.
- Socialization of MSDS and simulation of agrochemicals exposed handling in MNAE, conducted in March 4th 2017, attended by 32 upkeep workers

The CH has shows document of PPE distribution to all workers in estates and mill, which signed by Assisstant, Chief of P2K3 and the resprctive workers. Based on observation and interview with harvester, FFB transporter in SMLE, SRDE and MNAE, as well as in all oil palm process station in SMLM, it was found that all employees has wears PPE required by the company procedures and its risk analysis assessment. The workers stated that the PPE is provided by the company and it could be replace with the new one when unproper to be used. Workers with uncompleted PPE will be punished by sent them back from work (consider absent).

4.7.4

The CH has OHS organizations (P2K3), which presented in several documents. For example Decree Letter from Head of Manpower and Transmigration Agency of Kotawaringin Timur District No. KEP.560/58/WA-KK.P2K3/III/2017dated March 6th 2017 for PT TN SRDE about organization (P2K3). The P2K3 secretary was a Licensed OHS Expert with license Reg. No. 3517/ PK3/AJ/31/2016/P1 PO which valid until May 3rd 2019, with appointment letter from SRDE Manager No. 031/SRDE/SPOII/17dated February 7th 2017. Up to ASA-4, there was no change in P2K3 SRDE organization structure. All P2K3 Secretary were a Licensed OHS Expert.

The monthly meeting of P2K3 has conducted, as required by Minister of Manpower Regulation (Permenaker) No. 155, 1984 Article 3. The evidence has presented in the minutes, for example Minutes of P2K3 meeting of MNAE dated April 29th 2017 which attended by 18 OHS committee. For example, issue being discussed is Spirometry check by Region doctor. The program has been completed in May 12th 2017. The minutes also reported on the three-monthly report to the Manpower Agency of Seruyan dan Kotawaringin Timur District which shows towards Official Letter of document report receipt. For example, P2K3 report Period 1 2017 for SMLM, SMLE and SRDE has been receipt by the respective agency on April 1st, April 3rd and April 8th 2017, respectively. Hardcopy report were available during ASA-4 assessment.

4.7.5

There is no revision in OHS procedures. Procedure of emergency management is presented in document No. SOP/SMART/UMUM/SADV/II/005. Emergency situation identified were fire, explosion, contamination, natural disasters, turmoil, demonstration and work accident. The procedure has describes definition, management emergency action chartline,

emergency team, planning and action, training and simulation. Moreover, work accident handling has more detail presented in document No. SOP/SMART/HESS-EHSD/SADV/II/005, which describes victims handling, reporting, investigation, claims, etc. All procedures were available in Bahasa.

The CH has records work accident in the form of recapitulation of work accident which informed time of accident name of employee, gender, age, accident impact (death, physical defect, etc.) and accident factors, as well as lost and root of course. For example, it was reported that there was 9 light incident and 1 medium incident category during March 2017 in MNAE. This medium category report informed injury on face due to loosefruit picker (cokeran) in Block F27/28 Division 1 on March 29th 2017 (diagnose: V-laceratum). Mandays lost was 15 days. medical action takes was plastic surgery in Ulin Region Hospital (RSUD) in Banjarmasin. All document required such as investigation report, accident report stage-1, accident report within 1x24 hour, Jamsostek card, medical recommendation letter (Form 3bKK3BPJS Ketenagakerjaan), receipt which paid by the company dated April 8th 2017 were available.

The CH has provide polyclinic with Hyperkes Licensed paramedics, i.e. dr. Ida Bagus Gde Rsi Mahendra, Cert No. 23.356/DH-XV/10 issued in August 2010. Moreover, there were also 5 paramedics (nurse and midwife) with Hiperkes qualification. The company has polyclinic of PT TN and PT BAS as the permit was shows in appointment letter from Health Agency of Seruyan District No. 455/172/DINKES/II/2014 dated January 10th 2014. The polyclinic service has covers first aid and emergency action. For further service, polyclinic has cooperation with Puskesmas (Government clinic) Faskes 1 Telawang and faskes 2 Government District Hospital (RSUD) Murjani in Sampit.

Training on first aid SMLM, SMLE, SRDE and MNAE which attended by 10, 46, 56 and 34 workers respectively. Training on the mill has conducted in May 18th 2016 while in all Estates has conducted together in February 13th 2017. First aid box of PT TN and PT BAS has follows the Minister of manpower Regulation (Permenaker) No. 15, 2008. Committee of P2K3 estates and mill management unit has monitor and update the items of first aid kit regularly. This is confirmed during field observation to the SMLM, SLME, SRDE and MNAE. The first aid kit (portable) completeness has been checked during field observation in all estate activities observed, such as harvesting, pesticide spraying, fertilizer and by-products application, etc. According to field observation, the portable first aid kit were brings by the Foreman. The compliteness and device checking were noted in April 2017.

4.7.6

The CH has registered all of it's employees as member of government scheme on health and workforce insurance (*BPJS Ketenagakerjaan* and *BPJS Kesehatan*). Permanent worker daily and/or monthly basis got Insurance on work accident (*JKK*), old age benefit (*JHT*), dead insurance (*JKM*), retirement insurance (*JP*) and health insurance (*JKS*). Meanwhile for piece-worker, the CH has only responsible for work accident insurance and dead insurance. However, most of non-permanent workers were family member of permanent workers (as wife). Hence, its health insurance was under their husband. Record of insurance payment for example in April 2017 is presented as follows:

- BPJS of Manpower has been paid for 470 of permanent workers in **SMLE** (which is 15 worker were new recruited) on May 10th 2017. Payment ticket of BPJS Manpower for 160 of piece-workers has also available.
- Giro ticket (bilyet) No. AF 663155 of Bank Sinarmas Sampit Branch dated April 7th 2017 for BPJS health in **SMLE** period of April 2017. List of workers and its family member were available.

4.7.7

The company has provide lost time accident matric. For example, lost time accident for period April 2017 and its frequency rate (FR) as well as severity rate (SR) recapitulation from January to April 2017 for SRDE is presented as follows:

Unit: SRDE

No. of accident caused lost mandays: 1

Total manday lost: 8 days

FR 10.48; SR: 70.77

Status: Comply

4.8

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

4.8.1

The CH has training program of 2017 which is made based on its identification needs. The program consist of 16 training for

all related workers, such as : environment aspect, GHG calculation, social management. Field interview with worker in mill as of 4 grading station worker, 1 sterilizer station worker, 2 digester & pressure station worker, and in estate, as of 1 daycare worker, 5 manuring worker, 11 harvesting and loose fruit worker, 7 spraying worker, confirmed that there is annual socialization and training programme for employee, which corelates with their main job responsibility and certification standar, such as RSPO.

4.8.2

The CH has identified training needs for 2017. Then it is formed into training programme for 2017 in estate and mill. The programme has cover all of RSPO criteria. There is list of training which was given in 2017, as example of PPE training in MNAE, at January 13 2017, first aid kit in MNAE at February 13 2017, 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

PT TN has EIA document for the development of plantations and palm oil mills authorized by the Governor Kalimantan Tengah number 4 of 2006 dated January 18, 2006 for 9,300 ha oil palm plantatation and mill with capacity of 90 ton FFB / hour. EIA document for the development of plantations and palm oil mills of PT BAS for an area of 14,300 hectares and a plant capacity of 90 ton FFB / hour.

5.1.2

PT TN and PT BAS has conducted environmental management based on documents of Environmental Management Plan / Environmental Monitoring Plan 2003 (PT TN) and PT BAS (2004) among others: micro climate manage cover crop, gas and dust manage machine process, noise provide PPE, Soil chemical and physis properties, Testing the quality of river water, Testing ground water quality, River water discharge, water biota, Public perception, public unrest, Quality of public health.

Records of implementation of Environmental Management describe in RKL-RPL implementation report 2nd semester 2016 and has been reported to environment agency, Seruyan District. Based on the report shows that all environmental management plan has been conducted by management unit.

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, such as the result of mill effluent quality testing that conducted periodically has been accordance with the standard qualities set by the government.

Based on document verification, it is known that the environmental monitoring plan review and its implementation are performed twice a year, recorded in the RKL-RPL report, if there is any inconsistency in it will be evaluated and reported to the relevant government. Based on environmental monitoring known that management activities were taken have been effective to minimize environmental impact.

Status: Comply

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

Based on HCV assessment is known that there are HCV 1.1; HCV 1.2, HCV 1.3 (protected species) and HCV 4.1 (protected riparian). There are three species of birds protected by Government Regulation No. 7 of 1999 which are *Halycon smyrensis*, *Anthreptes sp*, *Arachnotera longirostrata* and according to CITES there are two species which are *Varanus salvator*, *Naja*

sumatрана. There is no protected flora.

The HCV assessment dated October 12, 2012 was led by person who has gained approval as assessor HCV by RSPO, and the document had previously been conducted peer review in May 2012. Public consultation during HCV assessment showed in the form of presentation reports on the implementation of the identification of HCV dated 19 October 2012 at Sungai Rungau Training Center for PT TN and PT BAS. The assessment was conducted using HCV toolkit 2008 and also equipped with HCV maps with a scale of 1:50.000.

5.2.2

CH has prepared a document on the implementation of the management and monitoring of HCV areas for PT TN and PT BAS once a year as a form of evaluation and conclusion and advice in the preparation of the next year's management plan. Available sample report documents for semester 1 and 2 year 2016.

In the HCV management and monitoring reports of PT TN and PT BAS are for examples of HCV monitoring reports conducted at Sei rindu estate and Semilar Estate, Mandang Estate and Puri Estate 2nd semester 2016, in the riparian of Tajahan River, riparian of Mandang river, riparian of Ruko river and riparian of Rungau River by security guard with the result of no hunting, illegal logging, land fires. Interview with workers and community it is known that they already know about the prohibition to hunting protected species in operation area of PT TN and PT BAS.

In the report on the implementation of HCV management and monitoring of PT TN and PT 2nd semester 2016 described the management of HCV which has been done by plantation managers of PT TN and PT BAS to maintain the existence of HCV which has the function of environmental services is as follows:

- Maintenance of HCV boundary in the form of a riparian
- Maintenance of HCV sign boards
- The spray boundary marking (red X cross) on the principal and the markpost as marking shall not be chemical applications.
- Socialization related to prohibition of hunting protected species.
- Planting of erosion and rehabilitation crops, there is a program and realisation of conservation plantation cultivation for the period of 2016 in PT TN and PT BAS.
- Woody plants in the form of *guava*, *meranti nyatoh*, *sungkai duku*, *ketapang*, *plisit semalam* etc. PT BAS shows recapitulation of forest crop seed, in 2016 with a total of 4885 stems.

5.2.3

CH has SOP on HCV identification and management through document no. SOP / NP / Smart / IV / LH001, 2010 which includes measures for the identification, monitoring and management of HCV. CH shows evidence of socialization In PT TN and PT BAS, such as:

- Socialization to Rungau Raya Village, conducted in February 17th 2016, attended by 36 local community. Activities carried out at the village office.
- Socialization to Biru Maju Village, conducted in February 2th 2016, attended by 180 local community. Activities carried out at the village office.

Based on interview with society figures from Biru Maju and Rungau Raya Village, it was state that the CH has conducting socialization on HCV area and protected fauna within estates operational areas whicj also informed by signboard. Moreover, there were no protected fauna at the offices and employees housing areas in both Semilar Estate, Sei Rindu estate and Madang estate.

5.2.4

The Company has prepared HCV management work plan for the semester 1 of 2017. Status of monitoring results of HCV is included in the report on the implementation of management and monitoring of high conservation value areas for the period of semester 1 and 2 in 2016. In the implementation report of HCV, is known there are conclusions and suggestions that will be used as consideration in preparing the next year's work plan.

5.2.5

There are no community with its arable land is used as a conservation area, so no need for an agreement that has been

negotiated to protect large areas of HCV and the rights of local communities.	
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, namely oil sourced from FFB trucks, emissions / smoke that comes from FFB trucks / CPO, litter sourced 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 comes from FFB processing, and others. CH has showed environmental aspect of document in the period 2016 for Semillar Mill, Serindu Estate and Mandang Estate, which also informs about the activities that have an impact on the environment, the environmental aspects, potential impacts, related fields, document control and control management.	
5.3.2 Based on field visits in chemical warehouse of Semilar Estate (central warehouses) and Sei Rindu estate is known that ex chemicals container has been placed to hazardous waste warehouse. The container of paint and oil also has been placed in hazardous waste warehouse.	
5.3.3 Record management hazardous waste, included in reporting management hazardous waste quarter period such as January to March 2017 addressed to environment agency. Hazardous waste management recorded several documents, consist of: - CH has Logbook (Hazardous Waste Warehouse) period January to March 2017 - CH has Balance Hazardous waste warehouse reported period January to March 2017 - CH has Agreement Letter, PT Maju Asri Jayafor transporter Hazardous waste - CH 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 for boiler. Remaining fiber shell and placed so did not result in pollution and potential fire. CH showed a circular from RC to Manager Mill and Estate dated May 19, 2017 explains that the entire hazardous waste that produced by estate (Semilar estate, Serindu Estate, Mandang estate and Puri Estate) can be stored at the site maximum 3 days. The implementation of the circular will be observed in next assessment. OFI CH has minutes of meet ex packaging pesticides which come from Mandang Estate, Sei Rindu Estate and Semilar Estate to pesticide produsen (Rolimex). Based on field visit in housing division 1 and landfill, Semilar Estate and Sei Rindu is known there are no ex pesticide containers disposed in landfills and the use pesticide containers for other uses that are not Similar. The ex-pesticide containers was stored temporary at the site and send to hazardous waste warehouse every mont. Based on procedures of dosmestic waste management is known that the location of landfill is about 5 kilometers from the settlement. Observations in Landfill Block G43 is known the domestic waste that is dumped there is inorganic waste, If the rubbish is full then it will be in the heap.	
Status: Comply	
5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	
CH has use the renewable energy to reduce the use of fossil fuel. Mill has show the energy from generator and turbine that use for mill operation and domestic use, such as for Dec 2016, the energy from generator was 100,458 kWh and from turbine was 565,850 kWh which use to produce 7,581.983 Ton CPO so the renewable energy that use is 74.63 kWh/Ton CPO. The use of fossil fuel period January to Desember 2016 was 416,04 liter per ton CPO and the estimated use of fossil fuel by on-	

site contract workers and transport and machinery operations for period January to April 2017 was 108,420 liter.

Status: Comply

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

5.5.1 & 5.5.2

CH has a zero burning policy. The policy documented in Land Clearing Procedure (SOP/SMART/MCAR/IV/TA-PLB) approved June, 12th 2012. CH does not conduct burning in land clearing. Based on field visit and interview with village representative is known that CH not yet conduct replating activity.

Status: Comply

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

5.6.1

CH has documents of identification of activities that produce emissions for Mill and Estate, such as:

- Semiar Mill, consists of use of chemicals, the use of fossil fuels, The use of Electricity, Liquid waste.
- Semilar estate and Mandang estate, consists of, the use of chemical fertilizers, the use of pesticides, the use of electricity garbage incineration, the use of Fossil Fuels.

5.6.2

List of activities that produce GHG in Semilar mill and plan to reduce or minimize consists of:

1. The use of Chemicals Mill = Chemical use sufficiently correspond to the dose required.
2. The use of of fossil fuels
 - Subtracting the use of diesel fuel
 - Generators and heavy equipment were functioning properly be able to consume diesel fuel efficiently
 - The data is monitored energy use
 - Monitoring Kwh per ton of mill products derived from renewable energy.
 - Monitoring Kwh per ton of products derived from non-renewable energy
3. The use of Electricity
 - using an energy efficient lamps
 - Socialization in saving electricity
4. Garbage incineration
 - Waste separation an organic and organic
 - Socialization in prohibition of garbage incineration
5. Liquid waste
 - Plan for capture methane usage (biogas plant)
 - Greenhouse gas emissions from liquid waste into the air / atmosphere.

List of activities that produce GHG in Semilar estate and Sei Rindu estate and plan to reduce or minimize consists of:

1. The use of Chemical Fertilizers = maximize the use of Bunch ash and fertilizers with appropriate doses.
2. The use of Pesticides
 - Optimizing control of IPM
 - Use pesticides that have been registered and also appropriate and precise dose.
3. The use of Electricity
 - using an energy efficient lamps
 - Socialization in saving electricity
4. Garbage incineration
 - Waste separation an organic and organic
 - Socialization in prohibition of garbage incineration
5. The use of fossil fuels

- Turn off the engine when the vehicle queue loading and weighing FFB.
- Ensure the maintenance of transport equipment, generators and heavy equipment.

Based on document effluent management report quarter I of 2017 is known effluent that flowed into land application Mandang estate in January is 6,100 M3, February 8,634 M3, March 12,245 M3.

5.6.3

Calculation of GHG emission and its monitoring has conducted by SADV. GHG emission has calculated through the RSPO PalmGHG Calculator Version 3.0.0, which informed summary of net GHG emission, summary of field emission and sinks, summary of mill emission and credits, POME treatment and POME diverted to anaerobic digestion

Summary of Net GHG Emissions Semilar Mill for 2016 Palm GHG V.3.0.1

Emissions per product	tCO ₂ e/tProduct	Extraction	%	Production	ton/year
CPO	1.81	OER	25,63	FFB Processed	357,833.271
PK	1.81	KER	6,14	CPO Produced	91,698.265

Land Use	ha
OP planted area	15860
OP Planted on peat	0
Conservation	742.58

Summary of Field Emissions and Sinks

	Own Crop		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions								
Land conversion	200230.01	16.69	50130.54	0.8	-	-		
*CO ₂ emissions from fertilizer	12670.19	1.06	1613.2	0.03	-	-		
**N ₂ O emissions	12435.5	1.03	744.75	0.01	-	-		
Fuel consumption	1128.44	0.09	228.75	0	-	-		
Peat Oxidation	0	0	0	0	-	-		
Sinks								
Crop sequestration	-112520.69	-9,36	-30781.67	-9.36	-	-		
Conservation Sequestration	-3141.77	-0.26	0	0	-	-		
Total	110801.68	9.25	21935.57	6.67	-	-		

Summary of Mill Emissions and Credits

	tCO ₂ e	tCO ₂ e/tFFB
Emissions		
POME	71516.86	0.20
Fuel consumption	1471.61	0.00
Grid Electricity Utilization	0.00	0.00
Credits		
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	72988.47	0.20

Palm oil Mill Effluent (POME) Treatment

Divert to compost	0.00 %
Divert to anaerobic digestion	100.00 %

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond	100.00 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %
Status: Comply	
PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills	
6.1 Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.	
6.1.1 & 6.1.2 CH has SIA which was done in 2012 by internal team and reviewed in 2015. The document has review condition of social such as: society, economy, culture, health, social perspective, etc. The SIA assesment has followed by surrounding stakeholder as in Pantap village (February 2 2012) and in Biru Maju (October 19 2012). Based on interview with village head of Rungau Raya and Biru Maju, it is known that the CH has involving village in SIA.	
6.1.3 In managing social impact, the CH has made plan of managing and reviewing of social impact aspect, every year. The last review of its plan is for period of 2015-2016. The document has explaining method of improving positive and decreasing negative aspect from CH operation in society.	
6.1.4 Review of social impact implementation program has been done every 2 year. The latest review is for period of 2014-2016. There is no scheme of smallholder or independent smallholder.	
6.1.5 There is no smallholder scheme or independent smallholder.	
Status: Comply	
6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.	
6.2.1 There is list of stakeholder which is updated every year by the CH. The list consist stakeholder from government, society, local contractor, worker union, etc. There is procedure of communication and consultation (SOP/SMART/UMUM/SADV/II/004, dated July 1 2014). Based on interview with village head of Rungau Raya and Biru Maju, it is known that the CH has socialized the procedure.	
6.2.2 PIC of the CH in communication and consultation is manager of estate and mill along with SPO officer. Based on interview with village head of Rungau Raya and Biru Maju it is informed that they already knew the PIC.	
6.2.3 There is procedure of communication and consultation (SOP/SMAR/UMUM/SADV/II/004). PIC for communication and consultation is the manager of estate and mill. CH could show list of request of information and communication in form of recording book.	
Status: Comply	
6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which isimplemented and accepted by all affected parties.	

6.3.1

There is procedur of complaint and dissatisfaction (SOP/SMART/SIGS-CSR/SADV/II/003, dated July 1 2014). The responsible PIC in handling complaint an ddissatisfaction is the Adminstration Head. The system has been socialized to stakeholder in February 21 2017 at Pondok 1, 2, 3 MNAE and other estate.

Based on infromation from interview with worker union, it is known that there is no industrial problem between both side. All of the worker complaint could be handeld in comfortbale way according to the procedure. It is same with information from manpower agency of Kutai Timur District.

6.3.2

The CH has use form F/SMART/SIGS/SADV/003/001 in recording complaint from workers. Based on document review of GKME, MWHE and GKMM, it is known that there is no complaint yet.

Status: Comply

6.4

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

6.4.1

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.

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 (May 2016). The latest land compensation has been conducted in 2010.

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 Kalimantan Tengah number 24 dated November 21 2016 concerning about minimum wage of 2017, as much as Rp.2.477.829 for Seruyan district and Rp.2.368.739 for Kotawaringin Timur district. It was then followed by letter from CEO of PSM 6 dated January 1 2017 concerning about its implementation. The implementation is showed through worker salary payment for January 2016 which is paid in February 2017.

6.5.2

CH has labour work agreement for period of 2016-2018. It has been agreed by the representative of worker union and the company.

CH can also demonstrated that all of worker agreement has been fairly communicated and excepted by workers. Evaluation of worker run every year as a basis for their annual performance and promotion. There is sample of worker agreement of MNAE dated July 1 2016 till July 25 2017 for harvesting worker in Divition 6. The contract has clearly stated of obligation and right of worker and the company. CH must ensuring the provision of time extension worker in accordance with the provisions of existing law and this will be observed in next assessment. **OFI**

6.5.3

Facility for worker is still same with previous surveillance. Based on filed interview with worker in SMLM, SMLE, SRDE and MNAE informed that the facility for worker is available in managed condition.

6.5.4

Based on field observation known that the CH has facilitate public store building in divition that can be used to sale daily

needs. In other hand, the company also facilitate worker cooperation. In other hand, it is quite enough to the surrounding village.

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
There is no change in company union policy. The CH has letter from director number 169/HR OPS/08/10 for PT Tapian Nadenggan and number 020/HR PSM6/01/11 for PT Buana Artha Sejahtera which stated that the company respect regulation including right to unite. The right is also written in worker agreement for period of 2016-2018 article 4.

6.6.2
There is structure of worker union in SMLM, SMLE, SRDE and MNAE. The structure has also been registered to Manpower Agency of Seruyan District and Kotawaingin Timur. Based on interview with workers and member of union informed that it's a free will to become member of the union. For union membership, there is monthly payment of Rp.2.000. The payment is used as operation fund for the union and other union needs.

The CH show sampel documentation of meeting with union worker in meeting for worker agreement act in May 18 2016.

Based on interview with caretaker union of PT Tapian Nadenggan and PT Buana Artha Sejahtera obtained information that meeting can be initiated according to the situation.

Status: Comply

**6.7
Children are not employed or exploited.**

6.7.1
Based on document review of manpower period of April 2017 for PT Tapian Nadenggan and PT Buana Artha Sejahtera, it is known that there is no worker under 18 year old. Field observation in estate and factory shows that there is no worker under 18 year old. The certificate holder has implement its social policy point 6 on minimum worker age. Field interview with worker in mill as of 4 grading station worker, 1 sterilizer station worker, 2 digester & pressure station worker, and in estate, as of 1 daycare worker, 5 manuring worker, 11 harvesting and loose fruit worker, 7 spraying worker, confirmed that minimum age of worker is not less than 18 year old. Field observation in SRDE and SMLE found that there is no worker who brought their family member to field area.

Status: Comply

**6.8
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.**

6.8.1
The policy of non discrimination is written in point 3 of 6 of GSEP, of 2011. It was also written in worker agreement of 2016-2018. The policy has been socialized to worker through morning master and socialization to contractor. Based on manpower statistic of PT Tapian Nadenggan and PT Buana Artha Sejahtera of April 2017, it is known that workers came from many of area, tribes, different religion. Based on observation and filed interview with worker in SMLM, SMLE, SRDE and MNAE, it is known that they are coming from Java, Flores, Sumbawa, Sulawesi, Sumatera and local area of Kalimantan.

6.8.2
Based on observation and filed interview with worker in SMLM, SMLE, SRDE and MNAE, it is known that they are coming from Java, Flores, Sumbawa, Sulawesi, Sumatera and local area Kalimantan sub district and its surroundings. Female worker has already knew of female committee, its caretaker and its function. They informed that there are no case or complaint against this condition. Female worker has given a right to take a monthly menstruation leave and maternity leave.

Local community has also given opportunity to work in the plantation and factory according to its skill and company needs, as informed by the village head of Rungau Raya. Based on field interview with worker and union representation informed that there are no discrimination to worker. For the period of 2016, there are no industrial problem between the company and worker.

6.8.3

The CH could show work agreement which cover right and obligation of both party. Based on field interview with worker in SMLM, SMLE, SRDE and MNAE, they already understand and excepting the agreement. Based on interview with human resource staff obtained information that evaluation of worker performance is done once in a year. The CH could show sample of worker evaluation and promotion. Based on field visit at SMLM, it is known that there is public announcement board for job vacancy.

Status: Comply

6.9

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

6.9.1

The CH has policy of August 1 2011 from top management stated that sexual harassment is illegal and intolerable. There was 4 step of sexual harassment handling which is used by the gender committee. Based on filed interview with women worker in SMLM, SMLE, SRDE and MNAE known that the female worker has already knew of female committee, its caretaker and its function, reproduction right (menstruation and birth leave), and a daycare for children. Based on interview with gender committee head informed that there was no case of sexual harassment or discrimination to women worker.

There is structure organization of gender committee in estate and mill. Based on interveiw with field worker, gender committee member and management informed that there is no case of sexual harrasement.

6.9.2

The CH has memorandum number 01/VPA-RSPO/03/2010 of March 3 2010 stated that pregnant female worker and breestfeeding female worker are not allowed to work in chemical contact situation. Based on interview with female worker in SMLE, SRDE and MNAE informed that they already knew of women worker right of reproduction like monthly menstrual leave and maternity leave. They also knew about prohibition for maternal worker to work with chemical. Gender committee has been known by female worker.

6.9.3

The CH has procedure of handling complaint mechanism for all stakeholder (Number SOP/SMART/SIGS-CSR/SADV/II/003 where it is stated about guaranty of anonymity of reporter (whistleblower). CH has also provide aspiration box in divition, estate and mill.

Based on interview with worker in SMLM, SMLE, SRDE and MNAE informed that there is no industrial matter for 2016 an d2017. The worker union can also be used to assist handling of worker complaint to management.

Status: Comply

6.10

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

6.10.1 & 6.10.2

The CH has no transaction of buying FFB from independent smallholder nor scheme smallholder.

6.10.3

The CH has no transaction of buying FFB from independent smallholder nor scheme smallholder. All of FFB processed in the SMLM comes from own estate or own group. The CH could show contract between CH and the local contractor of FFB transporter. Based on interview with local contractor of FFB transportation from Pantap village, it is known that the CH has implement fair and transparent contract, as it showed by sample contract number 005/SRDE/SPK-LKL/IV/2017-ATBS of March 27 2017.

6.10.4

There is sample of payment of FFB transport number SPK 004/MNAE/LKL/07/12-ATBS for August 3 2017. Based on interview with local FFB transporter of Pantap village, it is known that payment of FFB for independent smallholder.

Status: Comply

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

CH could show CSR programme of 2017 which is divided into 5 categories (education, health, economy, social, infrastruktur). The programme was made by SPO Officer has been approved by the unit head. Based on interview with village head of Rungau Raya and Biru Maju, it is known that the CH has informed of job vacancy to villagers, assisting cost for house electricity installation of villager, etc.

The CH has also followed the village annual meeting in preparing village development programme.

6.11.2

The CH has no smallholder scheme or independent smallholder.

Status: Comply

6.12

No forms of forced or trafficked labour are used.

6.12.1

The CH has policy of no forced labor which is written in GSEP. Based on interview with worker union, it is known that there is no forced labor.

Based on field observation in estate and mill, it is known that there is no foreign worker and out sourcing worker. The responsible PIC in recruiting worker is human resource staff. There is no ban for leaving work, as along as following the procedure. Work agreement has ruled of work term and condition. Field observation in SRDE and SMLE found that there is no worker who brought their family member to field area.

6.12.2

Based on interview with worker, worker union and document review of work contract, it is known that there is no contract substitution.

6.12.3

There is no migrant worker, but intra region worker which was last used in 2014. CH could show that the intra region worker had received all of his right based on the contract. It was also shown that for the intra region worker who has finished their contract and willing to go back to their region, CH facilitated their journey. Based on interview with ex-intra region worker at SMLE and SRDE it was known that work contract has clearly explain term and condition, right and obligation for both parties.

Status: Comply

6.13

Growers and millers respect human rights

6.13.1

CH has GSEP policy pin 2.2.3 which stated that the company committed to stand and promote statement of human right of United Nation for all workers, contractor, customary society, local community In all company operation.

There is prove of its socialization as of:

- February 13 2017 to FFB transport contractor at Empacement Divisin 3 of Mandang Estate.
- May 10 2017 to workers of Emplacement Divition 1 and 2, Sei Rindu Estate.

Based on interview with FB transport contractor and road maintenance contractor already known of company human policy right.

	Status: Comply	
PRINCIPLE #7 Responsible development of new plantings		
7.1		
A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.		
7.1.1, 7.1.2, 7.1.3		
Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (May 2016).		
	Status: Comply	
7.2		
Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.		
7.2.1 and 7.2.2		
Based on hectare statement data of PT TN and PT BAS, information from management unit and respective Government Agencies, it was informed that there was no new planting and development areas after 2005 November onwards. Hence this Indicator is not applicable. However, the CH was able to shows land suitability map with scale of 1:25,000 and 1:50,000.		
Based on the soil survey study, it was informed that there were about 687 ha (or approximately 4.02 %) of PT TN and PT BAS total areas were classified as fragile (N1 and N2). Major limitation for oil plam cultivation which considering as fragile in both company were due to the presence of hardpan, poor drainage properties on lowlying areas, very low soil fertility and domination of sandy soils texture.		
	Status: Comply	
7.3		
New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1 and 7.3.2		
The document review showed that CH is performed land clearing after November 1, 2005 without preceded by the identification of HCV. HCV identification was conducted on 2012. GAR, as the parent of PT TN and PT BAS has conducted disclouser of liability and LUCA on December 2015 to RSPO. On 13 Feb 2017, GAR has sent email to RSPO to known the progress of LUCA review because of the surveillance of each subsidiaries. Approvals regarding the LUCA and / or compensation plan from RSPO Compensation Panel will be observed at the next surveillance.		
7.3.3;		
Based on the results of interviews with management is known that the initial activity of land clearing was done in June 2005. Since the last assessment (May 2016), there has been no new land clearing or expansion of operational areas undertaken by the management unit.		
7.3.4 and 7.3.5		
The results of document review, field visits and interviews found that CH did not expand or conduct new planting since the last assessment (May 2016).		
	Status: Comply	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
Based on hectare statement data of PT TN and PT BAS, information from management unit and respective Government Agencies, it was informed that there was no new planting and development areas after 2005 November onwards. Hence this Indicator is not applicable. However, the CH was able to shows soil maps with scale of 1:25,000 and 1:50,000 which derived		

from soil survey semi detail conducted in November 11th to 17th 2008. The maps informed that there were no presence of peat soil within PT TN and PT BAS operational areas. In term of topography condition, there was no areas with slope more than 40 %. Those information were confirmed during field observation. soil survey report informed that major limitation for oil palm cultivation which considering as fragile in both company were due to the presence of hardpan, poor drainage properties on lowlying areas, very low soil fertility and domination of sandy soils texture.

Status: Comply

7.5

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

7.5.1

Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (May 2016).

Status: Comply

7.6

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

7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6

Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (May 2016).

Status: Comply

7.7

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

7.7.1, 7.7.2

Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (May 2016).

Status: Comply

7.8

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

7.8.2, 7.8.2

Based on documents review, interview and field visits at CH, it is known that CH did not expand the operational area and there is no more land clearing activity since the last assessment (May 2016).

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

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.

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.

To maintain compliance with P & C RSPO, the CH conducts internal audits once every 1 year by internal auditor from Head Office. The last internal review was conducted on 17 – 21 April 2017 by 5 auditors. All identified of nonconformities in internal audit have been closed.

The CH has conduct internal audit of RSPO and ISPO regularly as assurance that the CH is committed to implement sustainale palm oil management system.

Status: Comply

3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module D) CPO Mills – Identity Preserved Requirements																																																
D1	Definition																																																
D.1.1	<p>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>Semilar Mill is used RSPO supply chain of Identity Preserved module because only received FFB from the estate which has been certified with RSPO.</p>																																																
	Status: Comply																																																
D.2	Explanation																																																
D.2.1	<p>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 Semilar Mill obtained from the data of 12 months before the audit activities and have been described in this ASA-4 report. The estimation of CPO and PK is 104,256 ton CPO and 22,936 Ton PK.</p>																																																
	Status: Comply																																																
D.2.2	<p>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_0100001156 Certified CPO sold to each buyer period of 22 July 2016 to 15 May 2017 																																																
	<table border="1"> <thead> <tr> <th>Date</th> <th>Buyer</th> <th>Volume (Ton)</th> </tr> </thead> <tbody> <tr><td>7-8-2016</td><td>PT SUMBER INDAH PERKASA</td><td>2,100.25</td></tr> <tr><td>7-8-2016</td><td>PT SUMBER INDAH PERKASA</td><td>2,900.35</td></tr> <tr><td>26-8-2016</td><td>PT SMART</td><td>1,500.36</td></tr> <tr><td>26-8-2016</td><td>PT SMART</td><td>2,000.48</td></tr> <tr><td>27-9-2016</td><td>PT SUMBER INDAH PERKASA</td><td>2,000.17</td></tr> <tr><td>27-9-2016</td><td>PT SUMBER INDAH PERKASA</td><td>3,000.25</td></tr> <tr><td>8-1-2017</td><td>PT SUMBER INDAH PERKASA</td><td>2,998.40</td></tr> <tr><td>8-1-2017</td><td>PT SUMBER INDAH PERKASA</td><td>1,998.94</td></tr> <tr><td>11-2-2017</td><td>PT SMART</td><td>999.79</td></tr> <tr><td>11-2-2017</td><td>PT SMART</td><td>1,999.58</td></tr> <tr><td>25-3-2017 (announced)</td><td>PT SMART</td><td>1,300.07</td></tr> <tr><td>25-3-2017 (announced)</td><td>PT SMART</td><td>700.04</td></tr> <tr><td>9-4-2017</td><td>PT SMART</td><td>1,999.96</td></tr> <tr><td>9-4-2017</td><td>PT SMART</td><td>999.98</td></tr> <tr> <td colspan="2" style="text-align: center;">Total</td> <td>26,498.62</td> </tr> </tbody> </table>	Date	Buyer	Volume (Ton)	7-8-2016	PT SUMBER INDAH PERKASA	2,100.25	7-8-2016	PT SUMBER INDAH PERKASA	2,900.35	26-8-2016	PT SMART	1,500.36	26-8-2016	PT SMART	2,000.48	27-9-2016	PT SUMBER INDAH PERKASA	2,000.17	27-9-2016	PT SUMBER INDAH PERKASA	3,000.25	8-1-2017	PT SUMBER INDAH PERKASA	2,998.40	8-1-2017	PT SUMBER INDAH PERKASA	1,998.94	11-2-2017	PT SMART	999.79	11-2-2017	PT SMART	1,999.58	25-3-2017 (announced)	PT SMART	1,300.07	25-3-2017 (announced)	PT SMART	700.04	9-4-2017	PT SMART	1,999.96	9-4-2017	PT SMART	999.98	Total		26,498.62
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Total		26,498.62																																															

• **Certified Palm Kernel sold to each buyer period of 22 July 2016 to 15 May 2017**

Date	Buyer	Volume (Ton)
12-7-2016	PT SUMBER INDAH PERKASA	504.81
28-7-2016		1,000.90
30-7-2016		1,503.27
23-9-2016		1,003.49
26-9-2016		1,498.79
11-12-2016		1,006.86
11-12-2016		1,004.11
11-12-2016		917.74
11-12-2016	PT Binasawit Abadi Pratama – Perdana	78.42
11-12-2016	KCP	2,006.24
15-11-2016		1,018.21
3-1-2017		2,002.72
30-1-2017		1,499.63
4-2-2017		2,006.44
5-3-2017		2,004.54
1-4-2017		384.00
4-6-2017		1,005.83
Total		20,446.00

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.

Semilar 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 head of administration 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.

Semilar 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 and then it's labeled on the Delivery Note and the unique code of each supply base.

During the verification in Mill, weighbridge operator has checked FFB document to ensuring FFB delivered from certified supply bases. All FFBs received from certified estate, which is all weighbridge slip marked "certified product". Certified product or "certified supply base" code has been online authorized in SAP "System Analysis and Programmed".

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 22 July 2016 to 15 May 2017**

Month	FFB (Ton)		
	RSPO Certified	Non Certified	Total
22 – 31 July 16	9,163.41	-	9,163.41
August 16	32,755.89	-	32,755.89
September 16	40,222.18	-	40,222.18
Oct 16	45,019.09	-	45,019.09
November 16	38,805.22	-	38,805.22
December 16	31,903.40	-	31,903.40
Jan 17	34,152.18	-	34,152.18
Feb 17	33,479.90	-	33,479.90
Mar 17	32,228.56	-	32,228.56
Apr 17	32,090.51	-	32,090.51
1 – 15 May 17	20,013.33	-	20,013.33
Total	349,833.67	-	349,833.67

Status: Comply

D.4.2

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

Semilar Mill has had SOP for the implementation of supply chain in the identification procedure and Traceability. This procedure states that in case the projection is exceeding the claim of certified product, then company should perform: informs related RSPO certification body and RSPO IT System/ e-trace.

Based on the attachment of RSPO ASA-3 certificate, its known that the projected production of CSPO was 104,535 Ton and CSPK was 23,805 Ton. Meanwhile CSPO and CSPK production from 22 July 2016 to 15 May 2017 was 85,343.745 Ton CSPO and 20,045.873 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.

Semilar 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 (Ton)			Despatch CPO (Ton)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Augs 16	8,090.185	-	8,090.185	5,228.800	2,773.060	-	8,001.86
Sept 16	9,857.176	-	9,857.176	4,992.840	4,533.660	-	9,526.50
Oct 16	10,902.154	-	10,902.154	-	9,571.320	-	9,571.32
Total	28,849.52	-	28,849.52	10,221.64	16,878.04	-	27,099.68
Nov 16	9,382.196	-	9,382.196	-	10,697.090	-	10,697.09
Dec 16	7,581.983	-	7,581.983	3,402.130	4,832.860	-	8,234.99
Jan 17	8,382.730	-	8,382.730	4,945.350	3,228.910	-	8,174.26
Total	25,346.91	-	25,346.91	8,347.48	18,758.86	-	27,106.34
Feb 17	8,086.383	-	8,086.383	652.680	6,945.140	-	7,597.82
Mar 17	7,872.317	-	7,872.317	3,980.580	4,685.680	-	8,666.26
Apr 17	7,696.275	-	7,696.275	359.170	6,584.610	-	6,943.78

Total	23,654.98	-	23,654.98	4,992.43	18,215.43	-	23,207.86
Periode	Produksi PK (Ton)			Despatch PK (Ton)			
	Cert	Non	Total	RSPO	ISCC	Non	Total
Augs 16	1,838.563	-	1,838.563	1,644.360	-	-	1,644.360
Sept 16	2,215.839	-	2,215.839	842.560	-	-	842.560
Oct 16	2,389.922	-	2,389.922	3,015.740	-	-	3,015.740
Total	6,444.32	-	6,444.32	5,502.660	-	-	5,502.660
Nov 16	5,584.923	-	5,584.923	3,025.000	-	-	3,025.000
Dec 16	4,089.109	-	4,089.109	1,238.330	-	-	1,238.330
Jan 17	4,439.468	-	4,439.468	707.060	-	-	707.060
Total	14,113.50	-	14,113.50	4,970.390	-	-	4,970.390
Feb 17	5,272.455	-	5,272.455	1,853.180	-	-	1,853.180
Mar 17	4,953.252	-	4,953.252	3,186.440	-	-	3,186.440
Apr 17	4,778.428	-	4,778.428	2,996.160	-	-	2,996.160
Total	15,004.14	-	15,004.14	8,035.780	-	-	8,035.780

Based on the data, the delivery of certified product (CPO and PK) only from positive stock.

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

Semilar Mill only processes FFB from RSPO certified estate, so the entire product is CSPO and CSPK.

Status: Comply

D.6.2

The objective is for 100 % segregated material to be reached

Semilar 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 SMART, Tbk against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below

SMART, Tbk Time Bound Plan is explained in table 1.10. SMART run sixteen (16) mills and fifty nine (59) estates (own and smallholders) in Indonesia and has achieved RSPO certified for twelve (12) mills and supply base in Indonesia. SMART, Tbk has informed the Time Bound Plan progress, MUTU has considered that SMART, Tbk is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by SMART, Tbk on January 31, 2016 approved by President Director and MO Sustainability Strategic & Stakeholders Engagement.

MUTU has verified partial certification for un-certified unit's subsidiary of SMART, Tbk based on their Time Bound Plan. There are four (4) uncertified management unit of SMART, Tbk. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There is no significant land conflicts which have not been declared above
- The company has follow RSPO requirement related to 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: Companies are already doing internal audits. There are internal audit reports for each company.</p> <p>Auditor Verification: Based on the document review, there is a company internal audit that was conducted and the positive assurance is at this table that is also been verified.</p> <ul style="list-style-type: none"> - Internal audit PT Kresna Duta Agroindo (Pelakar Mill and supply base) 24 – 29 October 2016 - Internal audit PT SMART (Bukit Kapur Mill and supply base) 15 – 19 Februari 2016 - Internal audit PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) 19 – 23 Desember 2016 - Internal audit PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) 06 – 10 Februari 2017
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). 	<p>Company Group/Holding Statement: SMART, Tbk 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</p>

	<ul style="list-style-type: none"> Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>email RSPO dated October 24, 2016 to answer RSPO is still in the review process.</p> <p>Auditor Verification: RaCP Process for</p> <ul style="list-style-type: none"> PT Kresna Duta Agroindo (Pelakar Mill and supply base) PT SMART (Bukit Kapur Mill and supply base) PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base)
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.</p> <p>Auditor Verification: Based on auditor verification PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) any new planting since January 1st 2010 and NPP has been applied these.</p>
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. SMART 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</p> <ul style="list-style-type: none"> PT Kresna Duta Agroindo (Pelakar Mill and supply base) PT SMART (Bukit Kapur Mill and supply base) <p>There are any land conflicts but was in the process of completion for</p> <ul style="list-style-type: none"> PT Kresna Duta Agroindo (Rantau Panjang Mill and supply base) PT Kresna Duta Agroindo (Gunung Kombeng Mill and supply base) -
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</p>

		<p>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	<p>Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.</p>	<p>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: Land legal process is still going on and there is a detail update progress documented by the company for each year.</p> <ul style="list-style-type: none"> - PT Kresna Duta Agroindo (Pelakar Mill and supply base), there is a difference the concession area between Land Use Title (HGU) and Plantation Business Permit (IUP) and Permits Location. - PT SMART (Bukit Kapur Mill and supply base, doesn't have land use title (HGU), the HGU is still on process.

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 :			
-			
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.	: 2017.01	Issued by	: Ardiansyah
Date Issued	: 19 May 2017	Time Limit	: 18 July 2017
NC Grade	: Major	Date of Closing	: 15 August 2017
Standard Ref. & Requirement	<p>7.3.1 There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</p>		
<p>Non-Conformance Description & Evidence observed : Certification unit can not show approvals regarding the LUCA and / or compensation plan from RSPO Compensation Panel for land clearing after 1 November 2005 without preceded by the identification of HCV.</p>			
<p>Root Cause Analysis: Approval of LUCA review and compensation plan carried out by the RSPO takes a long time (almost 1 year).</p>			
<p>Corrective Action: Communication with RSPO Compensation Panel to expedite the process of endorsement of LUCA, Remediation and Compensation Concept Note, and Remediation and Compensation Plan of the PT TN and PT BAS.</p>			
<p>Preventive Action: Routine communication with RSPO Compensation Panel to expedite the process of endorsement of LUCA, Remediation and Compensation Concept Note, and Remediation and Compensation Plan of the PT TN and PT BAS.</p>			
<p>Assessor Evaluation and Conclusion:</p> <p>14 June 2017 Certification unit has shown the communication by email to RSPO on 26 May 2017 regarding to LUCA of PT TN and PT BAS, but but there is no statement from RSPO regarding LUCA status. Based on that, Nonconformity No. 2017.01 is open.</p> <p>15 August 2017 Based on email from RSPO on 15 August 2017 stated that "The BHCVWG has agreed to give a year grace period for existing certified units with unresolved compensation cases, with the condition that the RaCP will be completed by the next surveillance audit."</p> <p>Based on the explanation Nonconformity No. 2017.01 is closed.</p>			
Verified by	: Ardiansyah		

3.5.3 Opportunity for Improvement

No	Ref Std	Descriptions
1	2.1.1	Monitoring the renewal license process of temporary storage area on hazardous and toxic materials which will expire on May 30, 2017 and June 4, 2017
2	2.2.1	Follow up on the arrangement license of exchange forest areas that have been done
3	4.2.3	Companies need to ensure that soil test results are used as a basis for fertilizer recommendations
4	4.4.4	Monitoring permit application of water resource use for palm oil management activities
5	5.3.3	<ul style="list-style-type: none"> Companies are suggested to implement the Memorandum No. 001/INT-MEMO/V/2017 on handling the toxic and hazardous waste materials from producing station to temporary storage area published on May 19, 2017. Extend the work agreement on waste management Toxic and hazardous materials of PT TN with PT Maju Asri Jaya which will expire on March 21, 2017.
6	6.5.2	Renewal of PKWT agreement in accordance with UU No. 13 tahun 2003.
7	7.3.1	Following up on the progress of the Compensation Plan agreement from the RSPO Compensation Panel for land cleared since 1 Nov 2005 without prior HCV identification activities.

3.5.4 Noteworthy Positive Components

No	Ref Std	Descriptions
1	-	The company's commitment to implement the principles of sustainable palm oil management
2	-	Hold ISPO and ISCC Certificate
3	-	Liquid waste management using methane capture
4	-	Implementation of mechanization technology on harvesting and fertilizer activities.

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

Issue from Public	Auditor Response
<p>Biru Maju Village (Head of village)</p> <ul style="list-style-type: none"> - The company is now more transparent than ever. - Corporate contributions to the village or CSR that have been provided are health, religion, education and infrastructure. - Communication between the company and the village is good. The party that usually communicates is the unit head. - No issue of pollution and land fire conducted by the company. - Currently there are no land disputes between villagers and companies, but land disputes have occurred on 2011. The dispute resolution process has been conducted with the involvement of the government and RSPO. - The company always follow the village development meeting held by the community. - The impact due to the plantation company is flooded causing damage to the bridge. The community and several companies have held a meeting to follow up on this. - The villagers see there is no CD program provided by the company - The villagers hope to be set up the community plantation by coaching from the company. Currently the village has a community plantation area of 5 Ha which is manage independently. 	<p>There were no negative issues of community. The management unit has demonstrated evidence of compliance with the RSPO P & C such as Criterion 1.1; 2.2; 5.1; 5.5; 6.1; 6.2; 6.3 and 6.11.</p> <p>The Company has provided several CD program such as sewing machines and contracts for FFB transportation activities.</p>
<p>Rungau Raya Village</p> <ul style="list-style-type: none"> • Runga Raya vilage is expansion village that has run for 10 years. • Generally, realtion between both parties are in good condition. There is no land fire report or river polution. • The village often communicate through social staf, spo officer, manager and RC, according to its needs. • The village head sometime make letter to company management requesting for assistance or information. The respond gave in maximum 1 month. • The company has ever annpuncing jobvacancy in village office. • There are villaer who work in the company. 	<p>The CH shows effort of communication and cooperation with stakeholder as a form of social contribution and interaction, as explained in criteria 6.</p>

Issue from Public	Auditor Response
<ul style="list-style-type: none"> • The company has ever socialize it spolicy in form of calender and direct socialization in village office. • The company exist in annual village meeting. • Village annual plan has also given to teh company, in order to prevent overlap of work programme. • Village has made letter of managing area for company.. • The village encouraged company to assest villager needs. The company has ever done assesment direct to the villager, like in Perdana Estate. • There is no land conflict since 2014. • There is no local right of land in the company area. If there is exist, it should be signed by old housing, funeral, garden, etc. • Business partnership between the company and the villager is in form of FFB transport contract. CSR that hs=as been given by the company are electricity cost instalation assistance,for 368 housing in 2015 and still continue in 2017, milk for old people, free medication, school tuition, etc. • Village head hopes that good relationship is kept improved. The village has a budget for providing 1,000 oilpalm seed, hopefully the company could help wit it. And that the company could also make a limitation for their group transport of FFB. 	
<p>Workers Union of PT TN & PT BAS</p> <ul style="list-style-type: none"> • There are no discrimination issues, useage of underage labor or sexual violence. • The Company has paid wages and overtime in accordance with applicable regulations. • When the audit was conducted, there were no complaints from employees. • Workplace accidents ever occurred but did not fatal, e.g Harvesters' eyes flicker by dust at the time of harvest • All employees have been perticipated in SSA program of employment and health. • SSA: Social Security Administrator (BPJS) • The Company has provided free PPE for employees and has conducted periodic health checks for high risk workers. 	<p>The certificate holder has showed 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>
<p>Employee Cooperation</p> <ul style="list-style-type: none"> • Semilar Estate Sejahtera Cooperation (Chairman of the cooperative, Suwardi) has been Established since 2013 • Legal entity registered a notary in Kecamatan Kuala penghuang • The last year-end cooperative meeting was held in 	<p>CH has shown the evidence of compliance to RSPO standard criteria 6.5.</p>

Issue from Public	Auditor Response
<p>December of 2016</p> <ul style="list-style-type: none"> Number of members 389 (permanent employees) <p>Mill, Manunggal Sejahtera Cooperation</p> <ul style="list-style-type: none"> The company has supported cooperative activities by providing assistance in the form of providing facilities such as rooms and transportation. Was established on October 19, 2014 Legal entity registered a notary in Kecamatan Kuala penghuang The last year-end cooperative meeting was held on January 2nd, 2017 Number of members 389 (permanent employees) 	
<p>Gender Committee of PT TN and PT BAS</p> <ul style="list-style-type: none"> The gender committee has established since 2011. Company policy regarding gender has presented in PKB (works agreement). The company has support gender committee through providing special room for meeting room and other activities purposes (Posyandu, socialization, etc.). All women in PT BAS and PT TN (employee and non-employee) is part of gender committee's concern. In general, annual program was consists of: <ul style="list-style-type: none"> Socialization related to woman protection, women rights, sexual harassment and violence, impact of free sex and social behavior, reproducing right policy, reporting procedure, preventive action, H1 and H2 leave, etc. Socialization has delivered regularly during "Yasinan" (Quran recitation) every three months and/or during "Posyandu" every month (on the 3rd week). Committee Monthly meeting. Monthly medical checkup and pregnancy test in Posyandu (health clinic), in cooperation with Puskesmas (local government clinic) of Asam Baru. Arisan (social gathering). It was reported that there is no sexual harassment and violence case in both PT TN and PT BAS. 	<p>The management unit are encouraged to always establish communication and consultation with the workers so as to create a good industrial relations of cooperation. The union is also a medium for communication bridge between management and labor. So if there are things that are still felt dissatisfaction of workers, the company through a management unit can communicate effectively with workers through unions in each operational unit. This could be related to the criteria 6.6.</p> <p>The existence of a gender committee has adapted to the function formation implementing policy of prevention acts of violence and sexual abuse as well as women's reproductive rights. This is in accordance with the criteria of 6.9.</p> <p>Unit management is encouraged to communicate the return on H1 granting procedures to all employees, especially women in the office / staff. This is consistent with indicators 6.9.2</p>
<p>Local Contractor (UD Gajah Mada and FFB Transporter for Division 2 Sei Rindu Estate)</p> <ul style="list-style-type: none"> Work Agreement for Abdul Rasyid and Rusdiyanto were extended every 2 and 3 months, respectively. Agreement is made through fair and transparent process and later on to be stamped and signed by Estate Manager, Regional Controller and respective Contractor. So far, Contractors from surrounding Villages usually 	<p>The company is encouraged to apply to business ethics in all transactions and business operations, including against third parties such as Contractors. Agreements between the company and the contractor must be by agreement of both parties as well as the priority to the principle of fair, transparent and open. This has translated into a 1.3 criteria and indicators 6.10.3 and 6.10.4.</p>

Issue from Public	Auditor Response
<p>proactive to ask and propose job project.</p> <ul style="list-style-type: none"> • In general, cooperation between the company and contractor has remain satisfactory. • Time of works is based on piece-work which all FFB should be transferred to the Mill. • Regarding safety work for FFB transportation, Contractor has provide dump truck safety net while Estate has provide helmet and boot shoes which able to be replaced every 6 months. • The company is open to discuss about contract value adjustment due to fuel price increment. • Contractors has expect that the payment is carried out in date of 5 to 6 every month. Currently it was paid up to date of 10 every month. 	

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. Tapian Nadenggan
and
PT Buana Artha Sejahtera
Management Representative



Ismu Zulfikar
12 June 2017

Mutuagung Lestari

Lead Auditor



Ardiansyah
12 June 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	Plantation Agency	District of Seruyan, Province of Kalimantan Tengah	email	By email	12 May 2017		√
2	Environmental Agency	District of Seruyan, Province of Kalimantan Tengah	email	By email	12 May 2017		√
4	Biru Maju Village (Head of village)	District of Kotawaringin Timur, Province of Kalimantan Tengah.	-	Interview	16 May 2017	√	
5	Rungau raya Village	District of Seruyan, Province of Kalimantan Tengah.	-	Interview	16 May 2017	√	
8	Workers Union of PT TN & PT BAS	Province of Kalimantan Tengah.	-	Interview	16 May 2017	√	
9	Gender Committee of PT TN & PT BAS	Province of Kalimantan Tengah.	-	Interview	16 May 2017	√	
10	Local Contractor	Province of Kalimantan Tengah.	-	Interview	16 May 2017	√	
11	Walhi	Jakarta, Indonesia	Walhi.or.id	Email	4 May 2017		√
12	WWF	Jakarta, Indonesia	wwf-indonesia@wwf.or.id	Email	4 May 2017		√
13	BOS Borneo Orang utan survival	Kalimantan Timur, Indonesia	Bos_kaltim@orangutan.or.id	Email	4 May 2017		√
14	2 harvester and 1 supervisor	Mandang Estate	-	Interview	17 May 2017	√	
15	4 spraying workers	Mandang Estate	-	Interview	17 May 2017	√	
16	3 manual upkeep workers	Mandang Estate	-	Interview	17 May 2017	√	
17	3 manuring workers	Mandang Estate	-	Interview	17 May 2017	√	
18	2 LA operator	Mandang Estate	-	Interview	17 May 2017	√	
19	2 FFB transporter	Mandang Estate	-	Interview	17 May 2017	√	
20	1 Road maintenance worker	Mandang Estate	-	Interview	17 May 2017	√	
21	1 pesticide mixer	Mandang Estate	-	Interview	17 May 2017	√	
22	1 worker at division office	Mandang Estate	-	Interview	17 May 2017	√	
23	2 workers at day care	Mandang Estate	-	Interview	17 May 2017	√	
24	3 boiler men	Semilar Mill	-	Interview	16 May 2017	√	
25	1 WTP operator	Semilar Mill	-	Interview	16 May 2017	√	
26	1 engine room operator	Semilar Mill	-	Interview	16 May 2017	√	
27	2 mechanic	Semilar Mill	-	Interview	16 May 2017	√	
28	2 store keeper	Semilar Mill	-	Interview	16 May 2017	√	
29	4 grading workers	Semilar Mill	-	Interview	16 May 2017	√	
30	2 workers in process station	Semilar Mill	-	Interview	16 May 2017	√	
31	1 workers in process office	Semilar Mill	-	Interview	16 May 2017	√	
32	9 harvester	Semilar Estate	-	Interview	18 May 2017	√	
33	4 spraying workers	Semilar Estate	-	Interview	18 May 2017	√	
34	7 picker	Semilar Estate	-	Interview	18 May 2017	√	
35	4 manuring workers	Semilar Estate	-	Interview	18 May 2017	√	
36	12 harvester and picker	Sei Rindu Estate	-	Interview	18 May 2017	√	

37	7 spraying workers	Sei Rindu Estate	-	Interview	18 May 2017	√	
38	7 IPM workers	Sei Rindu Estate	-	Interview	18 May 2017	√	
39	6 manuring workers	Sei Rindu Estate	-	Interview	18 May 2017	√	

Appendix 2. Assessment Program

DATE	15 – 20 May 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Monday, 15 May 2017		
09.15 – 14.30	Jakarta → Pangkalan Bun → PT TN-BAS	ARD / RRI / MAH / RP
15.00 – 16.00	Opening Meeting	ARD / RRI / MAH / RP
16.00 – 17.00	Review of Previous Visit Non-conformance (Stage-2 – ASA-3) and document review	ARD / RRI / MAH / RP
Tuesday, 16 May 2017		
08.00 – 12.00	Public consultation to: <ul style="list-style-type: none"> Communities (if any local contractor) Contractor, internal stakeholder (labor union, gender committee and cooperative employees) 	RRI / ARD RP / MAH
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP
14.00 – 17.00	Field Observation at Semilar Mill <ul style="list-style-type: none"> POM (security, weighbridge, loading ramp, process, engine room, workshop, boiler) WTP, WWTP, Hazardous Waste Warehouse/TPS limbah B3, drainage, collecting place of solid waste (EFB, fiber, shell), methane capture (if any), composting (if any) SCCS 	ARD / MAH / RP / RRI MAH / RRI RP ARD
Wednesday, 17 May 2017		
08.00 – 12.00	Field Observation at PT BAS <ul style="list-style-type: none"> HCV and boundary Field Observation at Estate of PT BAS <ul style="list-style-type: none"> Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any) Housing, workshop, health facility Chemical warehouse, Hazardous waste warehouse, Cleaning and storage of PPE for spraying team, Landfill and firefighters equipment 	ARD MAH RRI RP
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP
14.00 – 17.00	Verification of partial certification and time bound plan RSPO Document Review and clarification of field visit	ARD RRI / MAH / RP
Thursday, 18 May 2017		
08.00 – 12.00	Field Observation at PT TN <ul style="list-style-type: none"> HCV and boundary Field Observation at Estate of PT TN (Semilar Estate & Sei Rindu Estate) <ul style="list-style-type: none"> Harvesting, Manuring, Sparying, IPM, application of waste (if any EFB or composting), Land application (if any) and replanting/new area (if any) Housing, workshop, health facility Chemical warehouse, Hazardous waste warehouse, Cleaning and storage of PPE for spraying team, Landfill and firefighters equipment 	ARD MAH RRI RP

DATE	15 – 20 May 2017	
PLANNED TIME	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
12.00 – 14.00	BREAK	ARD / RRI / MAH / RP
14.00 – 17.00	RSPO Document Review and clarification of field visit	ARD / RRI / MAH / RP
Friday, 19 May 2017		
08.00 – 11.30	Field Observation at Estate or Mill (if necessary) and RSPO Document Review	ARD / RRI / MAH / RP
14.00 – 15.00	Interim Meeting/ preparation for closing meeting	ARD / RRI / MAH / RP
15.00 – 17.00	Closing Meeting	ARD / RRI / MAH / RP
17.00 – 20.00	PT TN-BAS → Pangkalan Bun	ARD / RRI / MAH / RP
Saturday, 20 May 2017		
08.00 - ...	Pangkalan Bun → Jakarta	ARD / RRI / MAH / RP